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Report of the Council of the United Nations University on the work of the University

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Abbreviations

FAO	Food and Agriculture Organization of the United Nations
GEF	Global Environment Facility
GEIC	Global Environment Information Centre
IAEA	International Atomic Energy Agency
IMF	International Monetary Fund
INFOODS	International Network of Food Data Systems
OECD	Organization for Economic Cooperation and Development
PLEC	People, Land Management and Environmental Change
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNHCR	Office of the United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNIFEM	United Nations Development Fund for Women
UNITAR	United Nations Institute for Training and Research
UNU	United Nations University
UNU/BIOLAC	UNU Programme for Biotechnology in Latin America and the Caribbean
UNU/CRIS	UNU Comparative Regional Integration Studies
UNU/EHS	UNU Institute for Environment and Human Security
UNU/ESD	UNU Environment and Sustainable Development Programme
UNU/FAP	UNU Financial Assistance Programme
UNU/FNP	UNU Food and Nutrition Programme for Human and Social Development
UNU/FTP	UNU Fisheries Training Programme
UNU/GTP	UNU Geothermal Training Programme
UNU/IAS	UNU Institute of Advanced Studies
UNU/IIGH	UNU International Institute for Global Health
UNU/IIST	UNU International Institute for Software Technology
UNU/ILI	UNU International Leadership Institute
UNU/INRA	UNU Institute for Natural Resources in Africa
UNU/INTECH	UNU Institute for New Technologies
UNU/INWEH	UNU International Network on Water, Environment and Health

UNU/ISP	UNU Institute for Sustainability and Peace
UNU/MERIT	UNU Maastricht Economic and Social Research Training Centre on Innovation and Technology
UNU/ONY	UNU Office in New York
UNU/ViE	UNU Vice-Rectorate in Europe
UNU/WIDER	UNU World Institute for Development Economics Research
UNW-DPC	UN-Water Decade Programme on Capacity Development
WFP	World Food Programme
WHO	World Health Organization
WTO	World Trade Organization
ZEF	Zero Emissions Forum

I. Overview

1. The mission of the United Nations University (UNU) is to contribute, through collaborative research, capacity development and advisory support, to efforts to resolve the pressing global problems that are the concern of the United Nations, its peoples and its Member States. UNU provides world decision makers with fresh, alternative perspectives on today's problems, proactive analyses of evolving problems, and sound policy options to address them. UNU focuses on issues of sustainability (including human security, peace, the environment and development) and, particularly, on the sustainability challenges facing the developing world.

2. In 1969, then United Nations Secretary-General U Thant proposed the creation of a new type of university to be devoted to researching pressing global issues and promoting international understanding. Based on that vision, the United Nations General Assembly, in its resolution 2951 (XXVII), approved the formation of the United Nations University on 11 December 1972, and subsequently, in its resolution 3081 (XXVIII), approved the Charter of the United Nations University on 6 December 1973. UNU launched academic work at its headquarters in Tokyo in September 1975.

3. UNU functions as "an international community of scholars, engaged in research, post-graduate training and dissemination of knowledge in furtherance of the purposes and principles of the Charter of the United Nations" (UNU Charter, article I.1), and undertakes "research into the pressing global problems of human survival, development and welfare" (UNU Charter, article I.2). UNU serves as a think tank for the United Nations system, a bridge between the United Nations system and the international academic community, a builder of capacity (particularly in developing countries), and a platform for dialogue and new and creative ideas.

4. UNU operates under the joint sponsorship of the United Nations and the United Nations Educational, Scientific and Cultural Organization (UNESCO); it has "autonomy within the framework of the United Nations" and "the academic freedom required for the achievement of its objectives" (UNU Charter, article II.1). The University thus is uniquely positioned to contribute to the generation and sharing of knowledge relevant to the roles and work of the United Nations, and to the application of that knowledge in the formulation of sound policies, strategies and programmes for action.

5. UNU maintains a regular dialogue and close cooperative relationships with a broad range of United Nations system agencies, programmes, commissions, funds and convention secretariats, through both formal agreements and joint activities based on functional links. Key United Nations system partners of UNU include the Food and Agriculture Organization of the United Nations (FAO), the International Labour Organization (ILO), the Joint United Nations Programme on HIV/AIDS (UNAIDS), the United Nations Conference on Trade and Development (UNCTAD), the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the United Nations Human Settlements Programme (UN-Habitat), the United Nations Institute for Training and Research (UNITAR), the World Health Organization (WHO) and the World Intellectual Property Organization (WIPO). The University also works with the United Nations Secretariat, including the Department of Economic and Social Affairs and the

Economic Commission for Africa (ECA), the Economic Commission for Latin America and the Caribbean (ECLAC), the Economic and Social Commission for Asia and the Pacific (ESCAP), the United Nations Population Fund (UNFPA) and the World Trade Organization (WTO). At the highest level, UNU makes specific inputs into the work of the United Nations, and monitors pressing United Nations policy issues to which the University can contribute, through the meetings of the United Nations Chief Executives Board for Coordination (CEB) and communication with the supporting High-level Committee on Policy and the High-Level Committee on Management.

6. As specified by its Charter (article X.1), UNU operates as "a world-wide system of research and training centres and programmes". This decentralized global network structure offers the advantages of a global perspective, improved interaction with worldwide academic communities, and an ability to tap a wide range of human and financial resources. The core UNU system comprises UNU headquarters in Japan and research and training centres and programmes located in 13 United Nations Member State host countries.

7. Supplementing the work of the core UNU system are 22 UNU Associated Institutions (so designated by the UNU Council because of their engagement in long-term joint programmes with UNU). Further extending the global reach of UNU are hundreds of cooperating institutions — research institutions, professional organizations and associations, non-governmental organizations, and private sector companies — augmented by the numerous individuals (researchers, scholars and practitioners) who support and participate in UNU activities.

8. The Rector acts as the chief academic and administrative officer of the University and has responsibility for the direction, organization and administration of its overall programme. The UNU Centre Tokyo assists the Rector in the programming, coordination, support, administration and financing of the overall UNU programme. The University's principles and policies are set by the governing United Nations University Council, whose 24 appointed members serve six-year terms in their individual capacities (rather than as representatives of their countries). The UNU Rector also serves as a Council member, and the Secretary-General of the United Nations, the Director-General of UNESCO, and the Executive Director of UNITAR serve as ex officio members.

9. The United Nations University Council held its fifty-fifth session in Bonn in December 2008. At that session, the Council, among other actions, heard the Rector's annual "State of the University" report; adopted the draft UNU Strategic Plan: 2009-2012; adopted a proposal for UNU to begin to award accredited graduate degrees, and to establish a quality assurance and accreditation mechanism; authorized the establishment of a review and evaluation panel to assess UNU activity over the past three decades; adopted the draft statute for establishment of the UNU Institute for Sustainability and Peace (UNU/ISP) in Tokyo; and deliberated on a range of issues relating to the financial and administrative management of the University in the 2008-2009 biennium.

10. UNU receives no funds from the regular United Nations budget. The University revenue for operating expenses comes from investment income derived from its Endowment Fund or from annual voluntary contributions of Governments, agencies, international organizations, foundations and others. UNU also benefits

from counterpart and other support, as well as from some donations for academic activities that are paid directly to cooperating institutions.

II. Core functions

11. The United Nations University seeks to generate and share knowledge, and to strengthen capacities, on issues relevant to the promotion of sustainability, including human security, peace, governance, gender equality, development and poverty reduction, global health, environment (especially resources protection and management, climate change and energy), and the impact of science and technology. Special emphasis is placed on collaboration between developed and developing countries.

Knowledge generation and accumulation

12. A variety of key institutional and normative processes (such as globalization) are rapidly and profoundly affecting our world. Institutions play an important role in effecting these ongoing transformations, while at the same time being affected by them and being changed in the process. The topics that UNU selects for research and study are characterized by their contributions to greater in-depth knowledge about, and a better understanding of, these major processes, including scenarios for change and for improvement of the core institutions involved. It is these three variables — the processes, the institutions and the topics — that articulate the "programme space" within which UNU carries out its work.

13. UNU focuses on two broad programme areas — peace and governance, and environment and development — and as a further focus within this framework, clusters its activities into five general themes: (a) peace and security; (b) good governance; (c) economic and social development; (d) environment and sustainability; and (e) science, technology and society. These themes, however, are neither mutually exclusive nor collectively exhaustive, since many issues and problems (e.g., globalization, human rights, water management or food security) cut across thematic boundaries while some important perspectives (such as gender roles, ethics or equality) pervade work within all the thematic areas.

14. UNU combines cross-cultural, multidisciplinary research and targeted policy and foresight studies. Through its worldwide knowledge networks, the University imbues this work with a global perspective that incorporates both theoretical and practical approaches. In its role as a think tank for the United Nations, in particular, UNU strives to provide analyses and recommendations on policy-relevant issues that engage the attention of the United Nations, its peoples and its Member States. The University not only serves as a reservoir of ideas for the United Nations and its agencies, but tries to anticipate and respond to their needs.

Capacity development

15. UNU training and capacity development efforts entail the development of individual, group and institutional capabilities for self-sustained learning, the generation of new knowledge and technology, the accumulation and dissemination of knowledge, and the implementation of development activities (all capacities that are crucial to the development efforts of developing and transitional countries, the effectiveness of United Nations programmes, and the achievement of the

Millennium Development Goals). By focusing on training the trainers, research leaders, and policy and decision makers, UNU seeks to achieve a multiplier effect.

16. UNU capacity development activities are aimed at supporting: (a) the growth of vigorous academic communities in developing countries and countries in transition, and their linkage with international academic networks; (b) the work of the United Nations system and other international and regional organizations; (c) the efforts of policymakers and practitioners, at all levels and in all sectors of society; (d) the improvement of institutional capacity, especially in developing countries and countries in transition; and (e) expansion of the human resources needed for institutional development.

17. UNU capacity development activities encompass: (a) project-based capacity development, by which young researchers and scholars work on UNU projects in collaboration with skilled professionals; (b) specialized advanced training programmes for (primarily) postgraduate academics and professionals, including short-duration training courses and workshops, long-duration training programmes, and Master of Science (M.Sc.) and Doctor of Philosophy (Ph.D.) degree-oriented study programmes in conjunction with cooperating universities; (c) research fellowships and internship opportunities; (d) support to help alleviate the isolation of scholars and researchers in developing countries and promote their integration into regional and global academic, professional and policy-making communities; (d) online learning opportunities, whereby UNU can offer quality educational programmes to larger numbers of participants, and at lower cost; and (e) the UNU Financial Assistance Programme, which provides loans to self-financed students from developing countries enrolled in a cooperating Japanese university.

Knowledge transfer

18. The fundamental goal of UNU communications and dissemination efforts is to deliver the "right" knowledge to those who need it most, in a timely manner and in a useful form. UNU reaches out to a broad range of audiences that include the United Nations and its agencies; government and non-governmental organizations; regional, national and local organizations; policy and decision makers; scholars, researchers and practitioners; and the general public. Each of these audiences has different interests and concerns and thus requires different messages and varied delivery methods.

19. The University is continually upgrading its tools and methods, refining its target audiences, and tailoring its outputs. The rapid evolution of information and communications technologies is having a great impact on the way knowledge is exchanged and applied. The UNU's e-learning facilities and capacities, coordinated by the UNU Media Studio, are a resource-effective way of sharing and building up educational programmes and curricula. But even as its knowledge transfer methods increasingly become digital (websites, e-mail, CD-ROMs, etc.), UNU continues to publish traditional print resources (including books, briefs, papers and brochures) and to hold public informational events (such as conferences, lectures, workshops and seminars). Ensuring that information on current scientific advances and best practices reach relevant audiences in the developing world, including those who may be on the wrong side of the "digital divide", is a particular priority.

20. Two important channels for sharing the findings of the UNU work are commercial academic book publishers and UNU Press, the scholarly publishing arm

of the University. Active outreach to those unfamiliar with the work of the UNU is also a priority; outreach endeavours include the UNU Global Seminar series (for college students and young professionals); the Global Environment Information Centre (a joint initiative of UNU and the Japan Ministry of the Environment); and the UNU Zero Emissions Forum (which brings together representatives from business, local governments and the scientific community).

III. 2008 research projects and activities

21. The United Nations University takes a holistic view of the complex processes that affect human security and development. The following projects and other activities are neither exhaustive nor indicative of the overall breadth or depth of UNU operations in 2008. They should be considered, rather, as representing some of the "trees" that characterize the work of the University, such that the "forest" comprising the totality of UNU can be more readily perceived.

Sustainable development

22. ***Project*: Fragility and Development:** this UNU World Institute for Development Economics Research (UNU/WIDER) project studied various dimensions of fragility and vulnerability, including the extent and consequences of fragility at the national level and its interactions with household vulnerability.

23. ***Project*: Development in an Urban World:** this UNU/WIDER project addresses such questions as: What is special about the urban context? Why are urbanization and urban growth important to development? What are the strengths and limitations of our current state of knowledge from a policy perspective? How can a multidisciplinary perspective on the urban context add value to development research and policy?

24. ***Project*: Science Dialogues D4S ("Sustainable Solutions — Science for Sustainability"):** this project, implemented by UNU with partners including the German Development Institute and the International Bureau of the German Federal Ministry of Education and Research, seeks to develop a common policy approach to support sustainability between Germany and such important emerging economies as Brazil, China, India, the Russian Federation and South Africa.

25. ***Project*: Southern Engines of Global Growth:** this UNU/WIDER project focuses on the connections between four major developing countries (Brazil, India, China and South Africa) and the global economy, with an emphasis on how less developed economies are affected.

26. ***Project*: Industrial Transformation:** this 10-year project by the International Human Dimensions Programme on Global Environmental Change (IHDP) will complete its research activities in 2009. Currently in its synthesis phase, the main activity was the preparation of a set of publications finalizing the scientific work on transitions towards sustainability in Asia and the influence of globalization on this change. (IHDP is under the joint sponsorship of UNU, the International Council for Science, and the International Social Sciences Council.)

27. ***Project*: Hydrogen Fuel Cell Exchange:** in early 2008, UNU Maastricht Economic and Social Research and Training Centre on Innovation and Technology (UNU/MERIT) completed the first phase of this project, which explored a range of

policy options for developing countries in expanding their renewable energy portfolios.

28. ***Project*: Electronics Recycling Group:** This group was founded within the UNU Zero Emissions Forum in 2008 to support knowledge transfer and the creation of a global network of involved universities and knowledge institutes. The aim is to increase fact-based decision-making and enable the independent role of scientific research in complex sustainability themes such as electronics recycling.

29. ***Initiative*: Solving the E-Waste Problem (StEP):** more than 45 stakeholders have committed to participating in this UNU-led initiative, launched in 2007 to carry out research and development projects and to disseminate experiences, best practices and recommendations that can help societies reduce the load that their electronic waste places on the environment.

30. ***Project*: The Currency Transaction Tax:** in the context of falling official development aid contributions by most countries, this joint project by the UNU Peace and Governance Programme and the North-South Institute of Canada explores alternative, global sources of financing for development.

31. ***Project*: Regional Centres of Expertise on Education for Sustainable Development:** the regional centres of expertise on education for sustainable development are networks of existing education organizations mobilized to deliver education for sustainable development to regional communities as part of the United Nations Decade on Education for Sustainable Development. Six new regional centres of expertise on education for sustainable development were officially acknowledged in November, bringing the global total to 61.

32. ***Project*: Promotion of Sustainability in Postgraduate Education and Research Network (ProSPER.Net):** comprises leading higher education institutions in Asia and the Pacific that have committed to work together to integrate sustainable development into postgraduate courses and curricula. ProSPER.Net was launched in June with the support of UNU-IAS and the Japan Ministry of the Environment.

Environmental resources management

33. ***Project*: Integrated Water Resources Management:** this UNU Environment and Sustainable Development Programme (UNU/ESD) project focuses on research (particularly on water resources utilization planning and sustainable water use) at basin level. Major activities are focused on the Mekong Basin, the Water Cycle (in Nepal), and Rice Yield Modelling (in the middle Mekong Basin).

34. ***Project*: E-Learning for Integrated Watershed Management:** this project, funded by the German Academic Exchange Service (DAAD) and coordinated by the UNU Vice-Rectorate in Europe (UNU/ViE) in synergy with an existing African, Caribbean and Pacific Group of States-European Union water facility project, seeks to introduce e-learning into the teaching and learning practices in East African universities. A particular goal is strengthening ongoing water sector reform processes in Ethiopia, Kenya, the United Republic of Tanzania, and Uganda.

35. ***Project*: Knowledge Management for Land Degradation:** the overall objective of this UNU International Network on Water, Environment and Health (UNU/INWEH) project, funded by the Global Environment Facility (GEF), is to

contribute to the mitigation of land degradation. The project aims to produce a framework for impact indicators for the GEF Land Degradation Focal Area, to be followed by indicator selection and long-term monitoring and evaluation activities.

36. ***Project*: Sustainable Land Management in the High Pamir and Pamir-Alai mountains in Central Asia:** during the first half of the year, this transboundary project (funded by GEF) focused on national project execution arrangements, project design, and development of an implementation plan (in consultation with co-financing partners). Work in the latter half of the year focused on developing and finalizing framework agreements and institutional contracts between UNU and the national and international partner agencies.

37. ***Project*: Sustainable Management of Marginal Drylands:** this project assists developing countries in northern Africa and Asia to enhance the sustainable management and conservation of their marginal drylands, with a focus on sustainable and indigenous dryland management practices. The project, which involves researchers and institutions in China, Egypt, the Islamic Republic of Iran, Jordan, Pakistan, the Syrian Arab Republic, Tunisia and Uzbekistan, is jointly organized and managed by UNU/INWEH, UNESCO and the International Center for Agricultural Research in the Dry Areas (ICARDA). The Flemish Government of Belgium is the primary donor.

38. ***Project*: Rural Sustainability in Fragile Ecosystems (mountains and drylands):** two new research components of this project were launched in 2008 to assess policy intervention, implementation, and the impact on community-based resources management. The focus is on land allocation and traditional agro-ecosystems in northern Laos, and on change and adaptation of traditional agro-ecosystems in the Indian Himalayas.

39. ***Programme*: Biodiplomacy Initiative:** this UNU/IAS initiative conducts research on policy-relevant issues arising from the conservation and use of biological resources and associated knowledge and technologies.

Environmental governance

40. ***Project*: International Environmental Governance Reform:** in preparation for the sixty-third session of the United Nations General Assembly, UNU/IAS, at the request of the Commonwealth Secretariat, produced a "nonpaper" that was presented before the Prime Minister of the United Kingdom and other Commonwealth Heads of State in London in June, which formed the basis for the Commonwealth's Marlborough Declaration.

41. ***Project*: Studies on synergies and interlinkages studies among the Basel, Rotterdam and Stockholm Conventions:** fragmentation among multiple multilateral environment agreements and different regimes is a major constraint on effective environmental governance. This project, by UNU/IAS in collaboration with UNEP, focuses on the key issues that still need to be addressed in efforts to bring the Basel, Rotterdam and Stockholm Conventions together.

42. ***Project*: Monitoring and Assessment Network for Asian Governance of Environment:** the overall objective of this project is to develop environmental monitoring capacities in developing countries. One component is a long-term project (launched in 1996) supported by Shimadzu Corporation. With a research grant from the Japan Ministry of the Environment, the project has started research

collaboration with Tsinghua University (China) on new persistent organic pollutant candidates.

Water resources

43. ***Project*: Enhancing the Use of Science in International Waters:** this project, approved and funded by the Global Environment Facility in August, aims to synthesize the scientific knowledge contained in the GEF International Waters portfolio. Project partners are UNU/INWEH, UNU Institute for Environment and Human Security (UNU/EHS), UNEP, UNESCO, the Scottish Association for Marine Science, the Land-Ocean Interactions in the Coastal Zone science network, and the University of Plymouth.

44. ***Project*: "Twinning" of Lake Commissions in the Great Lakes Region:** this UNU/INWEH project involves five lake commissions in Africa and North America that share similar mandates, as well as many common interests, challenges and experiences. The project explores the potential for international collaboration for strengthening the programmes of the five commissions to enhance the effectiveness of great lakes management.

45. ***Project*: Water-Related Information System for the Sustainable Development of the Mekong Delta, Viet Nam:** this German-Vietnamese initiative seeks to design and implement an information system that will support regional planning activities in the Mekong Delta. UNU/EHS has been working on pesticide monitoring and modelling.

46. ***Project*: Assessment, Monitoring, and Management of Persistent Toxic Substances in the Wider Caribbean Region:** this UNU/INWEH project addresses capacity needs of participating Wider Caribbean Region countries through a combination of North-South and South-South partnerships. It pays particular attention to the capacity of coastal marine managers to monitor and ameliorate coastal pollution, the analytical capacity of pollution-evaluation laboratories, and raising of public awareness about the economic and health impacts of coastal pollution.

47. ***Initiative*: Coastal Zone Management in the Arabian Gulf:** this initiative is a partnership between UNU/INWEH and Nakheel (a property development subsidiary of the Dubai Port Authority). The aim is to help strengthen coastal marine environmental management in the Arabian Gulf and other tropical ecosystems that face increasing pressures from pollution and urban development.

48. ***Initiative*: United Nations Virtual Learning Centre for Water:** UNU/INWEH's flagship e-learning initiative continued its regional deployment in the Middle East and the Latin America and Caribbean region.

49. ***Activity*: online repository of capacity development activities:** this UN-Water Decade Programme on Capacity Development (UNW-DPC) activity seeks to create a single point of access for information on capacity development activities worldwide. Work included the development of an online tool supporting efficient knowledge management and information retrieval, its design, and entry of content into the repository.

50. ***Activity*: documentation of best practices and success stories:** UNW-DPC is supporting the improvement of capacity development by collecting, analysing and

documenting expert knowledge about effective tools, instruments and methods for water resources management. The current focus is on water supply, sanitation and transboundary water management.

Environmental change and human vulnerabilities

51. ***Project*: Environmental Change and Forced Migration Scenarios:** in the context of this European Commission-funded project, UNU/EHS contributed to an in-depth literature review and creation of methodological guidelines for research on environmentally forced migration.

52. ***Project*: Global Environmental Change and Human Security:** the scientific framework of this UNU/IHDP project, which will complete its 10-year life cycle in 2009, has had a major impact on the international agenda and shaped the discussion about vulnerability, system resilience and adaptive capacities. Through this project, UNU/IHDP coordinates background research for the International Strategy for Disaster Reduction's input to the Intergovernmental Panel on Climate Change and for the World Bank.

53. ***Project*: German-Indonesian Tsunami Early-Warning System in the Indian Ocean:** the objective of this project, based on a joint declaration by the German Federal Ministry for Education and Research and the Indonesian Research Ministry, is to develop an early warning system for tsunamis in the Indian Ocean that can later be extended to the Mediterranean Sea and Atlantic Ocean. UNU/EHS is developing a framework for constructing an indicator-based vulnerability index.

54. ***Focus*: vulnerability assessment:** UNU/EHS conducted various projects in this research area, including the Tsunami Risk and Strategies for the European Region project, the Geographical Information System Indicators project for Germany, and the Last Mile Evacuation research project (assessment of the socio-economic vulnerability of Padang to a tsunami).

55. ***Focus*: disaster risk management:** the UNU Environment and Sustainable Development Programme conducted various activities in the area of water-related hazards, including a project in catastrophic flood risk assessment for the Asia-Pacific region (in China, Nepal, Sri Lanka, Philippines and Thailand). Urban risks were addressed through the Asia Urban Regional Task Force (with the International Strategy for Disaster Reduction, Kyoto University, and other partners), and a project on assessment of city resilience against urban disasters was initiated with CityNet.

56. ***Programme*: Ecosystem Service Assessment:** this UNU/IAS programme conducts follow-up work on the Millennium Ecosystem Assessment (MA), including input into the consultative process to establish an International Mechanism of Scientific Expertise on Biodiversity. As part of the strategy developed with other MA Follow-up Initiative partners (UNEP, UNEP World Conservation Monitoring Centre and the Cropper Foundation), UNU/IAS serves as the secretariat for the MA Sub-global Follow-up.

57. ***Project*: Collaborative Research with Nissan Motor on Ecosystem Impacts of the Automobile Industry:** this project is being carried out by UNU/IAS in collaboration with Nissan Motor Company; the results will inform Nissan perspectives on the value of biodiversity conservation for the company's midterm environmental action plan.

58. ***Project*: Our World 2.0:** this flagship project of the UNU Media Studio involves the production of a web magazine and a "videobrief" series on the topics of climate, oil and food security from the perspective of Japan and the world. A soft launch of the web magazine took place in July.

Human health

59. ***Project*: Financial Inclusion Improves Sanitation and Health:** this UNU/MERIT project aims to harness and integrate expertise from diverse sectors to identify mechanisms for more effective inclusion of poor communities in the provision of sanitation services. The focus is on improving both the investment and usage aspects of sanitation. Project partners include Indian health insurer Tata-AIG, microfinance company BISWA, WASTE (a Dutch-based international environmental network), SNS Reaal and Maastricht University.

60. ***Project*: Health Inequalities and Development:** this UNU/WIDER project investigated issues related to health inequality with the aim of providing a better understanding of the factors that underpin health status in developing and transitional countries, particularly for children.

61. ***Projects*: Implementation of case-mix systems:** projects focusing on case-mix systems (health-care management tools to improve the quality of care and enhance efficiency in the delivery of health services) were carried out by UNU International Institute for Global Health (UNU/IIGH) in Indonesia (in cooperation with the Indonesian Department of Health) and in Mongolia (in cooperation with the Mongolian Ministry of Health, funded by the Asian Development Bank).

62. ***Project*: Development of Open Source Software for Case-Mix Costing:** UNU/IIGH and UNU International Institute for Software Technology (UNU/IIST) developed a training programme in open source health-care technology in cooperation with the non-profit Open Source Health Care Alliance. The main focus was on training programmers to develop open source applications for ambulatory and in-patient care in developing countries.

Information technology

63. ***Projects*: Theories and tools for software technology:** projects in this thematic area are funded by UNU/IIST), the European Union, the Macao Science and Technology Development Fund, and research partners in Europe, China and India. UNU/IIST has representatives on the EC Interlink Committee and the EU-funded ATEST project (in which automotive manufacturers Daimler Motor Company and Volkswagen collaborate with academia in software technology), and is a partner in the ARTIST2 consortium (of 40 European institutions) aimed at the collaborative development of embedded systems between Europe and China.

64. ***Focus*: electronic governance:** the UNU/IIST Center for Electronic Governance provides organizational support to activities in the area of e-governance and carries out research to support the introduction of technology that can transform the workings of public organizations and benefit their stakeholders. It also conducts e-strategy development, builds software tools, organizes schools and workshops for all levels of government, and maintains a global community of practice.

65. ***Project*: FLOSSInclude:** this project, which includes 11 global partners, builds on UNU/MERIT expertise in research on free/libre/open source software

(FLOSS), primarily in Europe, to explore what is needed to increase the deployment, development and societal impact of open source software in developing countries. The aim is to develop a solid understanding of the open source needs of the target regions, bring together local and regional development initiatives, and provide a road map for future EU research cooperation with developing countries.

66. ***Project*: Open Source Software for Environmental and Health Applications:** this project has two main components: water resource management and health management. The WaterBase website, established in December 2007 by UNU/INWEH and UNU/IIST, seeks to create a cheap but effective generic model of water resources and a decision support system for use in developing countries to support such activities as development planning, exploring ways to counteract environmental degradation, and mitigating the effects of global warming or polluting accidents. UNU/IIST is also working with UNU/IIGH on development and training for use of open source software in health management.

67. ***Initiative*: UNeGov.net:** under this initiative, UNU/IIST aims to advance the use of electronic governance in United Nations Member States, address problems and build consensus on good practices, provide a platform for research and comparative studies on problems of common interest, and facilitate the interaction of stakeholders from academia, industry and government.

Peace and security

68. ***Project*: The Responsibility to Protect Minorities — Is the Kin-State a Problem or a Solution:** this project, conducted by the UNU Peace and Governance Programme and the Centre for International Governance Innovation, applies the "responsibility to protect" norm to ethnic minority issues. It concentrates on the responsibility to prevent tensions from escalating to conflict and, in particular, analyses the potential risks and benefits of "kin-State" involvement.

69. ***Focus*: building sustainable peace:** the UNU Peace and Governance Programme is collaborating with the United Nations Peacebuilding Commission to respond to the pressing need to establish clear guidelines for peace consolidation and implementation. The Programme is one of the initiators of the innovative Peacebuilding Community of Practice, a diverse United Nations-wide community for peacebuilding practitioners, and also works with the Peacebuilding Support Office and with the Hiroshima Peacebuilders Center.

70. ***Focus*: responsibility to protect:** the "responsibility to protect" doctrine was universally endorsed at the 2005 World Summit and reaffirmed by the United Nations Security Council in 2006. The UNU Peace and Governance Programme has been involved in developing the doctrine since its conception, and continues to contribute towards applying and operationalizing this emerging international norm.

71. ***Focus*: ethics and norms:** ethics, principles and values are central to the identity of the United Nations; they can be understood as the "glue" of international society that provides moral social orientation. The UNU Peace and Governance Programme is active in this area; a joint project with the International Peace Research Institute (Oslo) examined the perennial questions "When can war be justified?" and "What methods and targets are permissible?" from the perspectives of the major world religions, while another project explored the motivations of actors in different international contexts.

Regional integration and governance

72. ***Focus*: governance and global institutions:** global governance encompasses multiple layers of international decision-making, from governments to international organizations. Trade restrictions, health crises, "rogue" or failing States, terrorism and environmental problems, among other issues, present challenges that multilateral mechanisms struggle to manage. The work of the UNU Peace and Governance Programme explores how policy and institutional frameworks can be reformed to better meet contemporary realities and demands.

73. ***Project*: Regional Integration, Economic Partnership Agreements, and their Impact on Employment and Labour Market Policies:** this project, undertaken by the UNU/Programme on Comparative Regional Integration Studies (UNU/CRIS) and the ILO International Training Centre, addresses the impact that regional integration processes and open-trade regimes have on employment and labour market policies, focusing at the national and regional level in Africa.

74. ***Project*: Monitoring Regional Integration in the South:** the aim of this project, a cooperative effort by UNU/CRIS and the Inter-American Development Bank, was to show the importance of good governance at the regional level for the effective development of regional integration processes.

75. ***Project*: Jordan Valley Integrated Watershed Management:** this UNU/INWEH project brought together Jordan and the Palestinian Authority to reverse the weak management and severe deterioration of Jordan River basin resources, and to help create sustainable development conditions for the rural population in the project areas. The two beneficiaries were provided with tools and methodologies for the selection and implementation of sustainable and effective interventions.

76. ***Research paper*: "Social Dimension of Regional Integration":** UNU/CRIS produced this research paper for the ILO Discussion Paper Series. It gives an overview of recent trends and future challenges concerning the deepening social dimensions of regional integration.

77. ***Working papers*: Bruges Regional Integration and Global Governance Papers:** together with the College of Europe, UNU/CRIS co-publishes a series of working papers dedicated to the study of the European Union and other forms of regionalism or interregionalism from a comparative perspective. The series offers a platform for contributions by scholars and practitioners.

78. ***Book series*: Comparative Regional Integration Studies:** UNU/CRIS has created a book series, in Chinese, to promote the publication of new scholarly work on comparative regionalism in China and to translate groundbreaking work from international scholars into Chinese. Published by the China University of Political Science and Law Press, this series is a joint venture with Renmin University of China in Beijing.

Justice and accountability

79. ***Project*: Developing Capacity for International Criminal Justice in Africa:** international criminal justice is an embryonic field of high importance to the United Nations system, and its continuing development must be informed by quality research. The UNU Peace and Governance Programme initiated this project, in

cooperation with the International Criminal Court and the Institute for Security Studies (South Africa), with the aim of helping build domestic legal capacity in African countries to deal with the prosecution of mass atrocities.

80. ***Project*: Justice and Accountability Mechanisms in Eastern Europe and Latin America:** this UNU Peace and Governance Programme project compares the experiences of two regions — Latin America and Eastern Europe — that have experienced, more or less simultaneously, transitions from authoritarianism to democratic rule. The research identifies and assesses different accountability strategies to provide insights into both the nature of transitional justice and its scope and limitations.

Other

81. ***Project*: The Internationalization of Chinese and Indian Firms: Policy Implications of the New Globalization from the South:** this UNU/MERIT study is analysing the experiences of two major emerging economies to draw lessons for developing countries attempting to catch up and integrate into the global economy. It focuses on the motivations and strategies in the internationalization of Chinese and Indian firms, and on the implication of current trends in the internationalization of investments from China, India and other emerging economies from the South for foreign direct investment (FDI) policies in the North and South.

82. ***Project*: The NERICA Journey in West Africa:** in recognition of the growing importance of rice, and anticipating shortages in sub-Sahara Africa, UNU/MERIT and UNU Institute for Natural Resources in Africa (UNU/INRA) formulated this joint research project to explore patterns of agricultural innovation processes in Benin, Guinea and Sierra Leone. The focus is on how to create an environment conducive to promising technologies aimed at improving productivity, quality and total production of the NERICA family of improved rice varieties.

83. ***Project*: UNU/Cornell Africa Series:** UNU Food and Nutrition Programme for Human and Social Development (UNU/FNP), UNU Office in New York (UNU/ONY) and Cornell University (a UNU Associated Institution) are seeking to map out, via this series of conferences, the state of scientific and policy knowledge in four critical areas. The aim is to contribute to advancing fundamental knowledge and policy formation in the African context, and thereby strengthen future capacity development initiatives in the region.

84. ***Project*: *The Wisdom Years*:** this documentary and e-case study, produced by UNU Media Studio in collaboration with WHO, explores ageing in Japan.

IV. 2008 capacity development

85. The training and capacity development efforts of the United Nations University focus on building individual, group and institutional capabilities for self-sustained learning, for the generation of new knowledge and technology, for the accumulation of knowledge, and for the implementation of development activities. UNU aims at achieving a multiplier effect by focusing on training the trainers, research leaders, and policy and decision makers. At the same time, the University seeks to generate new knowledge on the most pressing global issues and to transmit this knowledge directly to young scholars, researchers and practitioners. In 2008,

UNU held 94 specialized training courses and organized 14 online learning courses. In 2008 the University also awarded 237 fellowships and offered 125 internship opportunities.

86. **Short-duration training.** UNU organizes or supports a variety of short-duration training courses and workshops (of up to two months) primarily for postgraduate academics and professionals. In 2008, short-duration training courses and workshops were offered, in cooperation with various partners, on such topics as:

(a) *In Africa*: fisheries enterprises; fisheries inspection; electronic governance; nutrition; geothermal resources; geothermal project management and development;

(b) *In the Americas and Caribbean*: fisheries enterprises; human and medical genetics, forensic entomology and genetics; electronic governance; proteomics and mass spectrometry;

(c) *In Asia and Asia-Pacific region*: fisheries statistics and stock assessment; fisheries policy and planning; persistent organic pollutants analysis; catastrophic flood risk assessment; geothermal resources; governance of emerging global issues; environmental change; globalization and the multilateral system; international trade and development; electronic governance; sustainable consumption and production; water cycle; disease coding for case-mix, education for international understanding; disaster management and humanitarian assistance; climate change, energy and food security; adaptive water management; biodiversity in mangrove ecosystems; community-based land management;

(d) *In Europe*: disaster risk management; assessment and management of geological risks; environmental change, migration and social vulnerability; regional ocean governance; municipal risk-management;

(e) *In the Middle East*: marine and coastal environmental impact assessment; media economy and development; academic freedom in Arab universities; renewable energy; innovation policy in developing countries; social entrepreneurship; conflict resolution and peacebuilding; climate change; leadership in higher education; human rights.

87. **Long-duration training.** In 2008, UNU offered several long-duration training programmes. These included the six-month UNU Fisheries Training Programme in Iceland and the six-month UNU Geothermal Training Programme in Iceland; research fellowships at the Central Food Technological Research Institute in India; eight-month training in remote sensing technology at the Instituto Nacional de Pesquisas Espaciais in Brazil; and the one-year UNU/Kirin Research Fellowship Programme on Food Technology at the National Food Research Institute in Japan (supported by Kirin Brewery Company).

88. **Degree-oriented study.** UNU supports M.Sc. and Ph.D. degree-oriented study programmes primarily for scholars from developing countries. Among the degree-oriented programmes supported in 2008 were a joint M.Sc. Programme on Integrated Land Management in Dry Areas (UNU/ESD, UNU/INWEH, and partner institutions in Tunisia, China, the Syrian Arab Republic and Japan); Master of Engineering Programme in Supervision in Water Engineering and Management (UNU/ESD and Asian Institute of Technology); M.Sc. and Ph.D. Programme in Geothermal Science and Engineering (UNU Geothermal Training Programme and

University of Iceland); Master in Public Health Programme (UNU/IIGH, National University of Malaysia, and University of Science and Technology, Yemen); postgraduate studies in fisheries and food science (UNU Fisheries Training Programme (UNU/FTP) and University of Iceland); M.Sc. and Ph.D. Programme in Marine and Fisheries Science (UNU/FTP, University of Iceland and University of Akureyri); UNU/IIST joint Ph.D. programmes (with Associated Universities); UNU International Leadership Institute (ILI) M.A. Programme (with University of Jordan); and UNU/MERIT Ph.D. Programme in Economics and Policy Studies of Technical Change (with University of Maastricht). UNU Centre/Tokyo also offered a joint Graduate Programme in International Relations for students at cooperating Japanese universities, with courses on (a) international human rights law and humanitarian assistance; (b) conflict studies: prevention, peacemaking, peacebuilding; and (c) development: assessing the experiences of the past half-century and addressing the cutting-edge issues.

89. **Research fellowships and internships.** UNU offers short-term opportunities for highly qualified young researchers to work in cooperation with UNU staff. In 2008, UNU provided fellowships and internships through the International Human Dimensions Programme on Global Environmental Change Visiting and Resident Scholars Programme/Internship Programme; Japan Society for the Promotion of Science/UNU Postdoctoral Fellowship Programme (UNU/IAS and UNU Centre); UNU/CRIS Internship Programme, UNU/CRIS Ph.D. Programme and UNU/CRIS Visiting Researchers Programme; UNU/EHS/Zero Emissions Forum Ph.D. Programme; UNU/IAS Canon Foundation Fellowship Programme, UNU/IAS Internship Programmes (with National Graduate Institute for Policy Studies/Foundation for Advanced Studies on International Development, Japan International Cooperation Agency and Yokohama International Organization Centre), UNU/IAS Junior Professional Fellowship Programme, UNU/IAS Ph.D. Fellowship Programme and UNU/IAS Postdoctoral Fellowship Programme; UNU/IIST Fellowship Programme, UNU/IIST Postdoctoral Fellowship Programme and UNU/IIST/EGOV International Government Fellowship Programme; UNU/INWEH graduate fellowships; UNU/MERIT Professorial Fellowship Programme; UNU/ONY Junior Professional Programme; and UNU/WIDER Ph.D. Research Internship Programme and UNU/WIDER Visiting Fellows Programme and Short Visits Programme.

90. **Networking support.** UNU supports networking activities that enable developing country academics to interact with the wider academic, professional and policymaking communities. One such activity is the biennial conference organized by the African Committee for Research in Computer Science (CARI). UNU supported the 2008 CARI conference, held in October in Morocco, by providing financial assistance to cover travel costs for young African scientists from universities and research centres, mainly in French-speaking African countries.

91. **Online learning.** UNU Media Studio/Online Learning organizes its work around two main objectives: (a) mainstreaming online learning and web-based collaboration and communication activities across the UNU system, and (b) producing educational video and documentary materials. In February, the UNU Media Studio, in cooperation with UNU/IIST, UNU/INWEH and UNU/MERIT, officially launched the UNU OpenCourseWare portal, which provides open access to the materials used in 15 courses. UNU Media Studio also provides direct support for the Asia Pacific Initiative (API) partnership, including the videoconferencing

delivery of semester-based seminar courses by a network of universities across the region. The UNU Media Studio video documentary *Voices of the Chichinautzin* received the best science and ecology documentary award at the second IberoAmerican Film Festival (Tepotzlan, Mexico) in May and feature documentary Sandcastle Award at the Moondance International Film Festival (Boulder, Colorado) in September. An earlier UNU Media Studio documentary, *Saving the Ayuquila River*, was a finalist in the Stockholm Challenge Award 2008 (May).

92. **UNU Financial Assistance Programme (UNU/FAP).** In 2008, UNU/FAP (implemented with financial assistance provided by the Ministry of Foreign Affairs of Japan and the Japan International Cooperation Agency) assisted some 140 foreign students attending 34 cooperating universities in Japan.

V. 2008 communications and dissemination

93. To ensure that appropriate information reaches the right audiences in a useful form and in a timely manner, the United Nations University disseminates its materials through both print and electronic methods, organizes a variety of public events, and conducts other outreach activities.

94. **Print media.** In 2008, UNU Press published 14 new titles, reprinted 11 titles, and licensed seven low-cost local reprint editions of its books for sale in developing regions. Sales revenue for the year was in line with average annual sales over the past decade. More than 10,200 copies of UNU Press books were sold, while an additional 1,200 complimentary copies were distributed to libraries and NGOs in developing countries, scholarly journals, book reviewers, key academic distributors and others. The top-selling UNU Press titles for 2008 were *Trafficking in Humans* (2008), *Atrocities and International Accountability* (2007) and *Institutional Change and Economic Development* (2007). In addition to its book publications, UNU Press produced eight UNU Policy Briefs and three UNU Research Briefs.

95. **Digital media.** More than any other communications channel, the UNU website represents the "public face" of the University. For many, the website is their main — and sometimes only — channel of exposure to the work and activities of UNU. The main UNU website received a monthly average of more than 36,000 visits (and 82,000 pageviews). A significant innovation for the main website was the production and publication of a series of "video podcast" interviews with high-level delegates to the fourth Tokyo International Conference on African Development (May) and with participants in the UNU G-8 Climate Change Symposium (July). In addition to being placed on the main UNU website, these podcast videos also were made available for viewing via such popular social networking sites as YouTube and vimeo.

96. Online newsletters and blogs of the UNU system include *UNU Update* and *Our World 2.0* by UNU Centre/Tokyo, *WIDER Angle* by UNU/WIDER, *e-CRIS* by UNU/CRIS, *I&T Weekly* and *Access to Knowledge* by UNU/MERIT, *TK Bulletin* by UNU/IAS, and *UNU/EHS Update*. The UNU Video Portal, maintained by UNU Campus Computing Centre, offers access to broadcasts of major UNU events and other digital media presentations; some 140 archived video presentations (including almost 40 new videos in 2008), many in both English and Japanese, are available for public viewing. UNU/ONY conducts video interviews with the experts who attend UNU events in New York, and produced some 20 videos in 2008.

97. **Media and public relations.** In 2008, the UNU Office of Communications issued more than 50 media releases, leading to coverage of UNU events and research in major newspapers and on online news sites. Other media and public relations activities during the year included the coordination of a weekly half-hour programme on Radio Nippon, featuring interviews with staff from across United Nations agencies and from around the world; the coordination of media interviews with participants in UNU events; the holding of small, informal gatherings with members of the Japanese media; and the organization of numerous public UNU information briefing sessions, including one for a high-level delegation from the Japanese Ministry of Defence.

98. **Library services.** The UNU Centre Library in Tokyo continues to build reliable collections and user-friendly research support systems. The library's electronic resources were expanded, as was the repository of UNU research outputs (which now contains more than 3,100 items, including nearly 1,400 that are available in electronic format). To support the "Priority Africa" website portal, a bibliography covering UNU publications on "Africa and Related Issues" from 1976 through May 2008 was compiled. The monthly United Nations Library Lecture Series, conducted by the library in cooperation with United Nations Information Centre Tokyo, featured presentations by representatives from a number of United Nations agencies.

99. **Public events.** In 2008, units of the UNU system organized or co-organized more than 400 public events (including conferences, symposiums, seminars and lectures). Noteworthy among the major regular events organized or co-organized by UNU during the year were the Charles Cooper Public Lecture, by Dr. Shyama Ramani (Maastricht); UNU/WIDER Annual Lecture, by UNDP Administrator Kemal Derviş (Helsinki); International Women's Day Public Forum (Tokyo); UNU/ILI Prestigious Lecture, by Zaid Asali (Amman); fourteenth U Thant Distinguished Lecture, by former President of Finland Martti Ahtisaari (Tokyo); fifteenth U Thant Distinguished Lecture, by President of Senegal Abdoulaye Wade (Tokyo); UNU/UNESCO International Conference on the theme "Globalization and languages" (Tokyo); Africa Day Symposium on the theme "Africa's food situation" (Tokyo); United Nations Day Symposium and outdoor events on "Climate Change" (Tokyo); second International Conference on Electronic Governance (Cairo); two Bonn Dialogues (Bonn); and two UNU/Cornell Africa Series conferences (New York).

100. Other major public events organized or co-organized by units of the global UNU system during the year included nine G-8 Dialogue Series Lectures (Tokyo); a public panel on the theme "Knowledge and social learning for societal change and sustainability" (Berlin); a conference on the theme "Comparative regionalism: Europe and East Asia" (Beijing); a conference on the theme "Food safety" (Tokyo); a forum on the theme "Indigenous peoples and climate change" (Darwin); the second International Conference on Micro Evidence on Innovation in Developing Economies (Beijing); 16 side events at the ninth Meeting of the Conference of the Parties to the Convention on Biological Diversity (Bonn), five official side events at the fourth Tokyo International Conference on African Development (Yokohama), the second Solving the E-waste Problem General Assembly (Stockholm); a symposium on the theme "International day of biological diversity" (Tokyo); a seminar to launch the policy brief on the theme "Stemming decline of the coastal ocean" (New York); the UNU G-8 Symposium on the theme "Innovation and entrepreneurship in

the time of climate change" (Tokyo); the UNU Geothermal Training Programme thirtieth anniversary workshop (Reykjavík); the International Conference on Health Care 2008 (Kuala Lumpur); the Asia Pacific Ministers of Health Conference on Climate Change (Kuala Lumpur); a symposium on the theme "Looking beyond the international polar year"; the first World Reuse Forum (Berlin); the Peace and Creativity Salon (Tokyo); a conference on the theme "Forest-related traditional knowledge and culture in Asia" (Seoul); a conference on the theme "Environment, forced migration and social vulnerability" (Bonn); a conference on the theme "Sustainable fisheries" (Reykjavík); a workshop on sanitation (Hamilton, Canada); a lecture by Colombian Vice-President Francisco Calderón on the theme "Shared responsibility" (Tokyo); the first World Landslide Forum (Tokyo); a seminar on the theme "People in marginal drylands" (Istanbul); the fifth International Conference on Innovation and Management (Maastricht); and a side event and report launch at the fourteenth meeting of the Conference of the Parties to the United Nations Framework Convention on Climate Change (Poland).

101. **Public outreach.** The UNU Global Seminar series is designed to increase understanding among college students and young professionals about global issues facing humankind, and the role of the United Nations in addressing them. Eleven sessions of the UNU Global Seminar series, attended by almost 600 participants, were held worldwide in 2008, at seven locations in Japan and in China, the Republic of Korea, Ghana and South Africa.

Annex I

Members of the Council of the United Nations University

Appointed members

Jayantha Dhanapala (Sri Lanka) (Chair of the Council), former Under-Secretary-General for Disarmament Affairs, United Nations, New York, and former Ambassador and Permanent Representative of Sri Lanka to the United Nations in Geneva

Sheikha Abdulla al-Misnad (Qatar), President, Qatar University, Doha

Paolo Blasi (Italy), Professor of Physics, University of Florence; former Rector, University of Florence

Lidia R. Arthur Brito (Mozambique), Assistant Professor, Faculty of Agronomy and Forest Engineering, Eduardo Mondlane University; former Minister of Higher Education, Science and Technology of Mozambique

Angela Cropper (Trinidad and Tobago), United Nations Assistant Secretary-General, Deputy Executive Director, United Nations Environment Programme

Juan Ramón de la Fuente (Mexico), President, International Association of Universities; former Rector, National Autonomous University of Mexico (UNAM)

Gloria Cristina Flórez (Peru), Professor, Facultad de Ciencias Sociales, Universidad Nacional Mayor de San Marcos, Lima

Louise Fresco (Netherlands), Professor of Foundations of Sustainable Development in International Perspective, Universiteit van Amsterdam

Eduardo Carrega Marçal Grilo (Portugal), Trustee, Gulbenkian Foundation; former Minister of Education of Portugal

Ji Fusheng (China), Independent Consultant; former Director General, Department of High Technology and Fundamental Research of China; former Counsellor, Permanent Mission of the People's Republic of China to the United Nations

Fadia Kiwan (Lebanon), Professor of Political Science and Director, Faculty of Law and Political Science, St. Joseph University, Beirut

Marju Lauristin (Estonia), Professor of Social Communication, University of Tartu; former Minister of Social Affairs of Estonia

Andrei Marga (Romania), President, Academic Council of Babes-Bolyai University; and former Rector, Babes-Bolyai University

Goolam Mohamedbhai (Mauritius), Secretary-General, Association of African Universities; and former President, International Association of Universities

Otto S. R. Ongkosongo (Indonesia), geologist and research professor, Research Institute for Oceanography, Indonesian Institute of Sciences, Jakarta

Akilagpa Sawyerr (Ghana), former Secretary-General, Association of African Universities; former Vice-Chancellor and Professor of Law, University of Ghana

Francisco Komlavi Seddoh (Togo), Chairman, UNESCO Working Group, Democratic Republic of the Congo and Great Lakes region; and Interim Manager for Teacher Education

Gita Sen (India), Professor, Centre for Public Policy, Indian Institute of Management, Bangalore; Adjunct Professor at the Center for Population and International Health, Harvard University

Terusuke Terada (Japan), President, Foreign Press Centre/Japan; former Ambassador of Japan to Mexico, Belize and Republic of Korea

Hebe Maria Cristina Vessuri (Bolivarian Republic of Venezuela), Senior Researcher and Head, Department of Science Studies, Instituto Venezolano de Investigaciones Cientificas (IVIC), Caracas

David Ward (United States), Consultant, American Council on Education; former Chancellor, University of Wisconsin-Madison

Ivan Wilhelm (Czech Republic), former Rector, Charles University, Prague

Margret Wintermantel (Germany), President, German Rectors' Conference; President, Saarland University, Saarbrücken

Alison Wolf (United Kingdom of Great Britain and Northern Ireland), Sir Roy Griffiths Professor of Public Sector Management, King's College London, University of London

United Nation University Rector

Konrad Osterwalder (Switzerland)

Ex officio members

Ban Ki-moon (Republic of Korea), Secretary-General, United Nations, New York

Koïchiro Matsuura (Japan), Director-General, UNESCO, Paris

Carlos Lopes (Guinea-Bissau), Executive Director, UNITAR

Annex II

United Nations University system

UNU Centre

UNU Centre/Tokyo; UNU Centre/Kuala Lumpur; UNU Vice-Rectorate in Europe (UNU/ViE, Bonn); UNU Office at the United Nations (UNU/ONY, New York), UNU Office at UNESCO (Paris)

Research and training centres/programmes

UNU Programme for Biotechnology in Latin America and the Caribbean (UNU/BIOLAC), Caracas, Bolivarian Republic of Venezuela

UNU Programme on Comparative Regional Integration Studies (UNU/CRIS), Bruges, Belgium

UNU Institute for Environment and Human Security (UNU/EHS), Bonn, Germany

UNU Food and Nutrition Programme for Human and Social Development (UNU/FNP), Ithaca, New York, United States of America

UNU Fisheries Training Programme and UNU Geothermal Training Programme (UNU/FTP and UNU/GTP), Reykjavik, Iceland

UNU Institute of Advanced Studies (UNU/IAS), Yokohama, Japan

UNU International Institute for Global Health (UNU/IIGH), Kuala Lumpur, Malaysia

UNU International Institute for Software Technology (UNU/IIST), Macao, China

UNU International Leadership Institute (UNU/ILI), Amman, Jordan

UNU Institute for Natural Resources in Africa (UNU/INRA), Accra, Ghana

UNU International Network on Water, Environment and Health (UNU/INWEH), Hamilton, Ontario, Canada

UNU Maastricht Economic and Social Research and Training Centre on Innovation and Technology (UNU/MERIT), Maastricht, the Netherlands

UNU World Institute for Development Economics Research (UNU/WIDER), Helsinki, Finland

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Operational activities of the United Nations for international development cooperation

Review of trends and perspectives in funding for development cooperation

Note by the Secretary-General**

Summary

The present note is submitted in accordance with General Assembly resolution 59/250, in which the Economic and Social Council was requested to undertake a comprehensive triennial review of trends and perspectives in funding for development cooperation. The note reviews recent funding trends in six major areas: (a) United Nations operational activities for development, (b) multilateral and regional development banks, (c) global funds, (d) innovative sources of financing for development, (e) South-South and triangular development cooperation, and (f) private philanthropy.

In 2008, official development assistance (ODA) by the Organization for Economic Cooperation and Development (OECD) Development Assistance Committee countries was $119.8 billion, the highest dollar figure ever recorded. However, at least $10 billion-$15 billion must still be added to the most recent forward spending plans of donors if the 2010 commitment of $130 billion in ODA (at constant 2004 prices) is to be met. With extra effort, the 2010 target may be within reach.

The Council may wish to take note of the present note and request the Secretary-General to submit it to the biennial Development Cooperation Forum, beginning in 2012.

* E/2009/100.

** The delay in the submission of the present report was due to extensive consultations with various organizations.

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List of Acronyms

AfDB	African Development Bank
AfDF	African Development Fund
AIDS	Acquired immunodeficiency syndrome
AsDB	Asian Development Bank
EBRD	European Bank for Reconstruction and Development
FAO	Food and Agriculture Organization of the United Nations
G-7	Group of Seven
G-8	Group of Eight
GAIN	Global Alliance for Improved Nutrition
GAVI	Global Alliance for Vaccines and Immunization
GEF	Global Environment Fund
GFATM	Global Fund to fight AIDS, Tuberculosis and Malaria
GNI	Gross National Income
HIV	Human immunodeficiency virus
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
IADB	Inter-American Development Bank
IFFIm	International Finance Facility for Immunization
ILO	International Labour Organization
ODA	Official development assistance
OECD	Organization for Economic Cooperation and Development
TB	Tuberculosis
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNITAID	International Drug Purchase Facility
UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East
WFP	World Food Programme
WHO	World Health Organization

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Official development assistance disbursements as percentage of total official flows from multilateral development banks: 2001-2007 15

I. Introduction

1. The General Assembly, in resolution 59/250, paragraph 23, requested the Economic and Social Council to undertake a comprehensive triennial review of trends and perspectives in funding for development cooperation. The present note has been prepared in response to that request.

II. Major trends in funding of development cooperation

Uncertainty characterizes the current funding environment

2. The global partnership for development has moved centre stage as the international community grapples with policy responses to the current global economic and financial crisis as well as other major challenges, such as food security, climate change and the need to step up the implementation of the Millennium Development Goals. Funding for global development cooperation, as a result, may be entering a period of some uncertainty. The global economic and financial crisis and the need for major fiscal stimulus in many developed countries, for example, may put downward pressure on development cooperation budgets as Governments attempt to shore up domestic demand and employment. At the same time, there is renewed recognition among Governments that addressing the current global economic and financial crisis as well as other threats will require strengthening the international partnership for development, including meeting commitments on aid volume and quality.

3. This was the message of several major global conferences that took place in 2008, such as the new Development Cooperation Forum of the Economic and Social Council, the high-level event on the Millennium Development Goals, the Doha Review Conference on financing for development and the Third High-level Forum on Aid Effectiveness. These events all stressed the importance of Governments meeting commitments on aid volume and quality if the internationally agreed development goals, including the Millennium Development Goals, are to be realized. In April 2009, the Heads of State and Government at the Group of Twenty (G-20) summit in London reaffirmed their commitments to meeting the Millennium Development Goals and to achieving the respective official development assistance (ODA) pledges.

Aid commitments are within reach

4. According to Organization for Economic Cooperation and Development (OECD) Development Assistance Committee figures released on 30 March 2009, ODA by Development Assistance Committee countries in 2008 was $119.8 billion, an increase in real terms of 10.2 per cent over the previous year. However, since 2005, the ODA/gross national income (GNI) ratio has declined from 0.33 per cent to 0.30 per cent for Development Assistance Committee countries. A key factor explaining the recent volatility of ODA flows has been debt relief, which rose from $7.1 billion in 2004 to $25 billion in 2005, declined to $18.6 billion in 2006 and again to $9.6 billion in 2007 and then increased to $11.3 billion in 2008. The 2008 ODA level of nearly $120 billion for Development Assistance Committee countries remains short of the estimate of $150 billion deemed necessary to attain the Millennium Development Goals.

5. Against the 2008 ODA level, the pledges made by donors at the World Summit on Sustainable Development and the Group of Eight (G-8) summit at Gleneagles in 2005 offer some cause for optimism that the ODA target of $130 billion by 2010, at constant 2004 prices, can be reached. The European Union, for example, has set a collective ODA target of 0.56 per cent of GNI by 2010 and 0.7 per cent by 2015 for the 15 countries that joined the European Union before 2004, with a target of 0.33 per cent by 2015 for its 12 other members. Many European countries have also established more ambitious individual targets.[1]

6. Aid to Africa, however, remains significantly short of the 2005 pledge of the international community to double annual development assistance to the region by 2010 from $25 billion to $50 billion per year. According to preliminary OECD Development Assistance Committee figures released in March 2009, net bilateral ODA from Development Assistance Committee donors to Africa in 2008 totalled $26 billion, of which $22 billion went to Sub-Saharan Africa. Excluding volatile debt relief grants, in 2008 bilateral aid to Africa and Sub-Saharan Africa rose in real terms by 10.6 per cent and 10 per cent respectively.

Current plans indicate some shortfall

7. Temporary peaks in debt relief do not reflect real transfers of programmable aid to developing countries. Taking this into account, OEDC Development Assistance Committee estimates in March 2009 indicate that overall ODA in 2010 will reach $121 billion, expressed in 2004 dollars, an increase of $20 billion from the 2008 level. A new survey of donors' forward spending plans suggests an 11 per cent increase in programmable aid between 2008 and 2010, including larger disbursements by some multilateral agencies.[2] Debt relief may also increase slightly as the debt of the remaining heavily indebted poor countries is addressed in the Paris Club.

8. The current outlook suggests that at least $10 billion-$15 billion must still be added to current forward spending plans if donors are to meet the 2010 commitment of $130 billion in ODA (at constant 2004 prices). This indicates, however, that with some further efforts the 2010 target may be within reach.

Aid allocation needs to become more effective

9. The current aid allocation system is increasingly criticized for not being sufficiently conducive to maximizing progress towards achievement of the internationally agreed development goals, including the Millennium Development Goals. This applies to allocation among developing country groups, regions, individual countries and regions within countries, as well as among sectors and types of aid.

10. A considerable number of countries, for example, receive far more aid than would be expected on the basis of need or performance ("donor darlings"), and an

[1] A number of countries have committed themselves to staying above 0.7 per cent ODA/GNI, including Denmark (0.8); Luxembourg (1.0); the Netherlands (0.8); Norway (1.0); and Sweden (1.0). Several other countries have committed themselves to achieving 0.7 per cent ODA/GNI at an earlier date, including: Belgium (2010); France (2012); Ireland (2012); Spain (2012); and the United Kingdom of Great Britain and Northern Ireland (2013).

[2] See OECD Development Assistance Committee "Development aid at its highest level ever in 2008" (30 March 2009).

almost equal number receive much less than anticipated ("donor orphans"). In 2006, 15 programme countries received 60 per cent of bilateral aid. On the other hand, non-post-conflict countries, which, nevertheless, are facing severe internal pressures, receive, on average, less than one third of other countries' per capita aid levels. This largely reflects the lack of an international system for assessing whether allocation is responding to needs or results and for balancing allocation in order to ensure that countries are evenly assisted so that the international community maximizes results from aid.

Long-term decline experienced in support for production and economic infrastructure, including agriculture

11. In the past 25 years, there has been dramatic increase in allocation to the social sector, including health, education and other services (up from 10-15 per cent to 30 per cent). Aid to governance has also risen from virtually zero to 10 per cent. This has been mirrored by decreasing allocation to economic infrastructure (down from 25-30 per cent to less than 15 per cent) and production (from 27 per cent to only 7 per cent, with a particularly sharp fall in the allocation to agriculture from 19 per cent to 4 per cent). The recent food crisis has exposed the frailty of the strategy of underinvesting in agriculture if the Millennium Development Goals are to be realized. At the same time, there are indications that the 2008 High-level Conference on World Food Security and the high-level event on the Millennium Development Goals helped to mobilize greater international support in this area.

New sources of funding are helping to revitalize official development assistance flows

12. Recent years have seen rapid growth in sources of funding for development cooperation from outside the regular OECD Development Assistance Committee channels, notably South-South cooperation and private philanthropy for development, which have grown, respectively, to $12.6 billion (9 per cent of total development cooperation flows) and $14.8 billion (11 per cent) in 2006.[3] Global and vertical multilateral funds (largely funded by OECD Development Assistance Committee donors) account for around 3 per cent of the global flows. Nevertheless, Development Assistance Committee donors and international organizations continue to account for around three quarters of global flows. Several new innovative financing mechanisms have also begun to generate significant resource flows for development, as discussed in section VI below.

Aid delivery is highly fragmented

13. Recent developments include an acceleration in the proliferation of donor agencies, which are currently estimated at more than 1,000, including 56 bilateral and 230 multilateral agencies. The Governments of more than 30 developing countries currently have to deal with more than 40 agencies providing development aid. Proliferation has some important advantages, including wider choice by Governments in programme countries, which can enhance stability and

[3] For further information on South-South cooperation, please refer to the background study for the 2008 Development Cooperation Forum of the Economic and Social Council entitled "Trends in South-South and triangular development cooperation" (see www.un.org/ecosoc/newfunct/2008dcfbckgrd.shtml). Private grants amounted to $18.5 billion in 2007, or almost 18 per cent of official development assistance flow.

predictability of flows by diversifying risk, especially for countries with relatively few funding sources.

Large transaction costs imposed on programme countries

14. Proliferation, however, has many more potential disadvantages, including conflicts over development priorities and conditionalities, increased earmarking by global funds and a dramatic increase in transaction costs. As of 2005, there were more than 65,000 donor activities worldwide, up from 20,000 in 1997, with some countries having hosted more than 1,000 donor activities. The proliferation of actors in this field has been accompanied by a reduction in the average size of the contribution from each donor (from $2.5 million to $1.5 million).[4] Proliferation also undermines the capacity of developing countries by diverting Government staff to work as project counterparts or donor staff and spending funds on technical assistance to manage projects or on parallel project implementation units, thus increasing the cost of coordination with donors at both the global and country levels.

III. United Nations operational activities for development

Contributions peaked in 2005, then stagnated, leaving the future uncertain

15. From 1995 to 2005, contributions to United Nations operational activities for development grew at a more rapid rate than total ODA, or 9.9 per cent annually, compared to 2.6 per cent for non-United Nations multilateral ODA and 6.9 per cent for bilateral ODA (in constant 2006 United States dollars).[5] Overall contributions received by the United Nations development system in 2006, however, decreased, in real terms, by 1.1 per cent, though this was followed by a 2.4 per cent increase in 2007. Some operational agencies continued to experience growth in contributions throughout the 1995-2007 period.

16. In the 2002-2007 period, the annual growth in contributions to United Nations operational activities for development slowed notably to 5.6 per cent, while non-United Nations multilateral ODA grew at the faster rate of 6.6 per cent and bilateral ODA at 6.1 per cent (in constant 2006 United States dollars).

17. There are also first indications that the global financial and economic crisis that started in 2008, which has led to severe fiscal constraints in donor capitals and has fuelled significant exchange rate fluctuations, is beginning to affect the funding allocated to international development cooperation, including the United Nations development system.

Fragmentation of United Nations operational activities for development remains an issue

18. In 2007, 37 entities of the United Nations system received nearly $19.1 billion (in current United States dollars; $17.6 billion in constant 2006 United States dollars) of the estimated contributions for operational activities for development, with five organizations (United Nations Development Programme (UNDP), United

[4] E/2008/69, para. 28.

[5] See A/63/71-E/2008/46.

Nations Children's Fund (UNICEF), World Food Programme (WFP), World Health Organization (WHO), United Nations High Commissioner for Refugees (UNHCR)) accounting for 73 per cent of the total. The top 11 organizations in terms of contributions (including United Nations Population Fund (UNFPA), United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), Food and Agriculture Organization of the United Nations (FAO), United Nations Educational, Scientific and Cultural Organization (UNESCO), International Labour Organization (ILO) and United Nations Environment Programme (UNEP)) accounted for 90 per cent and the remaining 26 organizations for 10 per cent of the total.

Core resources as a share of overall contributions are rapidly declining

19. A notable long-term trend in the funding of United Nations operational activities for development has been the continuous decline in core resources as a share of overall contributions, from 37.1 per cent in 2002 to 28.8 per cent in 2007. In this period, core resources for United Nations operational activities for development grew on average by 7.6 per cent annually in nominal terms and 0.4 per cent in real terms, compared to 15.9 per cent and 8.2 per cent respectively for other resources.

20. Data on long-term trends in core resources as a share of overall contributions to the United Nations development system are available for only a small number of organizations. These data reveal that the share of core resources in the overall funding of UNDP, UNFPA and UNICEF, as a group, dropped from 79.7 per cent in 1991 to 31.8 per cent in 2007, whereas for UNFPA the ratio is much higher, above 60 per cent.

21. Some donors have made efforts to formulate multi-year core resource commitments to United Nations organizations and are also supporting reform of funding modalities to ensure better balance between core and non-core resource flows. A significant number of donors, however, continue to make annual commitments, a factor that makes effective medium-term planning by United Nations entities more difficult. Only a small number of donors have also started contributing to the relatively new and innovative core voluntary accounts established by ILO, WHO, FAO and other United Nations agencies.

Non-core resource flows are highly fragmented

22. The reliance on non-core resources, with corresponding unpredictability of funding and timing of payments and the restricted use for which voluntary contributions may be earmarked, has made the management and programme implementation of United Nations operational activities for development more challenging.

23. The growth in non-core funding in the past decade is also an important factor in increasing transaction costs for United Nations entities. Negotiating individual funding agreements, tracking and reporting programming and financial data for hundreds or even thousands of individual projects, and reporting according to widely varying sets of requirements, for example, all add significant costs that fall outside of the organizations' basic operating systems.

24. While most United Nations organizations try to ensure that supplementary funding is aligned with strategic priorities, all such financing to some extent distorts the substantive direction set by the respective governing bodies. This poses a particular challenge for the standard-setting specialized agencies, which, as a group, have seen the share of core funding decline from 36.8 per cent of overall contributions in 2003 to 29 per cent in 2007.[6] In addition, activities funded by extrabudgetary financing are often not subject to full cost recovery, which, de facto, means that they are being subsidized by core resources.

Table 1
Contributions to United Nations operational activities for development: 2002-2007

	2002	*2003*	*2004*	*2005*	*2006*	*2007*	*Percentage change 2006 to 2007*	*Annual average percentage change 2002 to 2007*
(Millions of current United States dollars)								
Core resources	3 820	4 030	4 547	4 538	4 938	5 501	11.4	7.6
Non-core resources	6 489	8 735	10 172	12 449	12 241	13 576	10.9	15.9
Total contributions	**10 309**	**12 765**	**14 719**	**16 987**	**17 179**	**19 078**	**11.1**	**13.1**
Annual increase (percentage)	..	23.8	15.3	15.4	1.1	11.1		
(Millions of constant 2005 United States dollars)								
Core resources	4 966	4 604	4 766	4 640	4 938	5 074	2.8	0.4
Non-core resources	8 437	9 980	10 661	12 729	12 241	12 522	2.3	8.2
Total contributions	**13 403**	**14 584**	**15 427**	**17 369**	**17 179**	**17 596**	**2.4**	**5.6**
Annual increase (percentage)		8.8	5.8	12.6	-1.1	2.4		
Percentage core	37.1	31.6	30.9	26.7	28.7	28.8		

Despite volatile resource flows, targeting of support to least developed countries has increased

25. Despite growing volatility in resource flows and the declining United Nations share of overall multilateral ODA in recent years, the targeting of funds has increased. Total expenditure of the United Nations system on operational activities for development in least developed countries has more than doubled since 2002, reaching $5.9 billion in 2007. This share, as a percentage of total country expenditure, has also increased from 40.3 per cent in 2002 to 49 per cent in 2005, followed by a slight reduction to 46.2 per cent in 2007. Eight out of the top 10 programme countries in terms of expenditure of United Nations operational

[6] The ratio of regular/extrabudgetary resources among specialized agencies varies greatly. For the International Labour Organization, for example, this ratio is much higher than the above figure, or above 60 per cent.

activities for development are all least developed countries. Africa has consistently received the largest share of expenditure, reaching 46.4 per cent in 2006 and 43.7 per cent in 2007.

Major growth in inter-agency-pooled funds

26. By March 2009, approximately $4 billion in contributions from 40 donors and programme countries had been channelled to the United Nations development system through inter-agency-pooled funds administered by the UNDP Multi-donor Trust Fund Office. Several other United Nations agencies also administer inter-agency-pooled funds. The multi-donor trust funds are being used to address various humanitarian, recovery, reconstruction and development challenges that have emerged at the country level as the result of "horizontal" programming, including the United Nations development assistance frameworks.

Thematic funds have improved the flexibility and predictability of resource flows and reduced transaction costs

27. Almost all United Nations organizations have created some types of thematic funds as part of a broader strategy to address the long-term declining trend in core resources. These thematic funds allow donors to contribute resources to specific service lines, regions, programme countries and programme categories. The use of thematic funds has improved the flexibility and predictability of funding. Instead of having multiple contributions to manage, there is only one fund per thematic area and one consolidated annual report instead of separate statements for each donor. This lowers transaction costs for the United Nations entity in terms of staff time spent on the management of contributions.

28. No data are currently available on the overall volume of funds channelled to thematic funds linked to strategic plans of United Nations entities. For UNICEF, thematic funding as a share of overall contributions was 1.8 per cent in 2003, 8 per cent in 2004, 12 per cent in 2005, 11 per cent in 2006 and 9.7 per cent in 2007. Thematic contributions to UNICEF have increased from $30 million in 2003 to $294 million in 2007 (in current United States dollars). Thematic contributions are based on existing programmes, such as the country programmes approved by the Executive Board or the thematic priority areas defined in the medium-term strategic plan.

29. Thematic contributions can be considered the most attractive form of funding after regular resources and/or voluntary core funding because such support is aligned with the strategic goals and priorities of the respective United Nations entity, while allowing for longer-term planning and sustainability.

Private funding remains a small but growing part of overall contributions

30. Funding from private sources has also brought in fresh resources to a number of United Nations entities. UNICEF has been particularly adept at leveraging the strength of private contributions. Income from private sources to UNICEF totalled $868 million in 2007, reflecting an increase of 9 per cent over 2006.[7] Other funds and programmes have also benefited from private funding or enhanced cooperation with the private sector. WFP, for example, has recently launched two new

[7] See E/ICEF/2008/10, table 4.

multi-year, multimillion dollar global partnerships to solicit contributions from corporate partners, based on a public-private partnership strategy.

31. However, securing funding from the private sector often comes with high transaction costs. The private sector usually has a strong preference for earmarking funds to projects in specific countries. This, unfortunately, limits the flexibility in the use of funds and can result in donor-driven projects. For the specialized agencies, undue focus on resource mobilization from the private sector may also be fraught with potential conflict of interest, due to their global norm and standard-setting role.

Table 2

Private funding to the United Nations Development Programme, United Nations Population Fund, United Nations Children's Fund and World Food Programme: 2005-2007[a]

(Millions of current United States dollars)

	2005			*2006*			*2007*		
	Overall funding	*Private funding*	*Private overall (percentage)*	*Overall funding*	*Private funding*	*Private overall (percentage)*	*Overall funding*	*Private funding*	*Private overall (percentage)*
UNDP	4 800	23	0.5	4 790	91	1.90	5 190	150	2.89
UNFPA	544.6	11.2[b]	2.06	570.5	16.3	2.86	705.2	21.4	3.03
UNICEF	2 762	1 235	44.71	2 781	799	28.73	3 013	878	28.81
WFP	2 700	27	1.0	2 700	55	2.0	2 700	49.1	1.8

Source: UNDP/UNFPA annual financial reviews and UNICEF annual reports.

[a] Includes contributions from the private sector, foundations and civil society organizations.

[b] The 2005 figure for the United Nations Population Fund includes "other income" of $8.3 million for the regular budget and $2.9 million of co-financing contributions from the private sector. The Fund did not record private contributions to the regular budget for 2005. The "other income" of $8.3 million is used here to illustrate the rough scale of private funding to the regular budget. The actual amount is likely to be lower than presented in table 2. Private funding for 2006 and 2007 includes private endowment trusts to the regular budget and co-financing contributions from the private sector.

32. Except for UNICEF, private contributions are not yet a significant source of income for funds and programmes such as UNDP, UNFPA and WFP, although such contributions are experiencing some growth (see table 2).[8] For UNFPA, for example, private contributions in 2007 remained just over 3 per cent of total income. In the case of UNDP, private funding has increased considerably, but is still an insignificant share of overall contributions. Generally, there is no evidence to suggest that income from private sources received by funds and programmes is distorting the implementation of activities mandated by governing bodies.

Burden-sharing of core resources: too few hands carrying the load

33. The volume of core funding for United Nations operational activities is closely linked to the sharing of the burden by donors. The difference between donors in this regard is quite significant. The 1970s and 1980s saw a trend emerging towards increasingly uneven burden-sharing of core funding for United Nations operational activities for development.[9] This trend largely continued during the 1990s and the

[8] The same applies to specialized agencies.

[9] See *The United Nations in development: reform issues in the economic and social fields: a Nordic perspective: final report by The Nordic UN Project* (1991).

beginning of the new century. From 1995 to 2007, the top 10 donors to UNICEF contributed on average 81 per cent of core contributions; for UNDP the percentage was close to 85 per cent; and for UNPFA it exceeded 93 per cent. The issue of concentration of donor-related funding also applies to specialized agencies. In FAO, for example, the top 10 donors (excluding global funds such as the United Nations Central Emergency Response Fund, but including multilateral contributions) accounted for 53 per cent of total voluntary resources received in 2006-2007, with the top 20 contributing 79 per cent.[10] Of total contributions for United Nations operational activities for development in the years 2004 to 2006, eight donor countries accounted for approximately 65 per cent.

IV. Multilateral and regional development banks

Five major development banks account for about 70 per cent of overall multilateral funding flows

34. The multilateral and regional development banks, here primarily referring to the World Bank Group and the four regional development banks, provide a vast array of financial and non-financial services.[11] These include the provision of loans, credits and grants for development, as well as other services of a non-financial nature and generally not offered by private financial institutions, such as lending-related technical assistance, knowledge generation and brokering, and the provision of global and regional public goods, including, in most cases, support to regional integration processes.[12]

35. The range of services provided by individual development banks reflects the development needs of the particular region they serve. In Africa, for example, disbursements by the African Development Fund, the concessionary lending arm of the African Development Bank, account for nearly half of the bank's overall funding flows to developing countries in 2007. Multilateral development banks in Europe and Central Asia, on the other hand, place more emphasis on supporting private sector development, with the European Bank for Reconstruction and Development regularly partnering with commercial actors.

36. Multilateral development banks are the largest provider of multilateral development financing to developing countries. Total flows from the World Bank and the four regional development banks accounted for 43 per cent and 27 per cent

[10] See FAO programme implementation report, 2006-2007 (para. 34 and table 4).

[11] The World Bank Group comprises the International Bank for Reconstruction and Development (IBRD); the International Development Association (IDA); International Finance Corporation; Multilateral Investment Guarantee Agency; and International Centre for Settlement of Investment Disputes. The four regional development banks include the African Development Bank, the Asian Development Bank, the European Bank for Reconstruction and Development and the Inter-American Development Bank Group. A number of subregional banks established for development purposes are also classified as multilateral banks, as they are owned by a group of countries (typically borrowing members and not donors). This includes the following banks: Corporación Andina de Fomento; Caribbean Development Bank; Central American Bank for Economic Integration; East African Development Bank; West African Development Bank. The present note focuses mainly on the World Bank (IBRD and IDA) and the four regional development banks.

[12] See *World Economic and Social Survey 2005* (United Nations publication, Sales No. E.05.II.C.1).

respectively of overall flows from all multilateral sources to developing countries in the 2001-2007 period. Overall, multilateral development banks contributed roughly 27 per cent of global official flows in the same period.[13] Repayments from developing countries, however, have in some instances led to negative net transfer of financial resources from the multilateral development banks, particularly the World Bank. For example, between 2002 and 2007 the net transfer of resources from the World Bank to Latin America was negative. The Asia region also experienced similar negative net transfer of resources from the World Bank in several years during this period.

Five major banks also account for around 30 per cent of multilateral official development assistance contributions

37. Multilateral development banks are also a major player in international development cooperation, accounting for around 30 per cent of total multilateral ODA contributions in the 2002-2007 period, with an average annual rate of growth of 12.4 per cent, compared to 13 per cent for overall ODA and 12.2 per cent for multilateral ODA. The European Commission is the largest provider of multilateral ODA, with the multilateral development banks and the United Nations development system in second and third place respectively (see table 3).[14] With the exception of 2004, donor grants and capital subscriptions to multilateral development banks remained under 10 per cent of overall ODA flows. In 2007, multilateral development banks received around $8.5 billion in such contributions or about 8.2 per cent of total ODA flows, a 12.5 per cent decline over the previous year.

Table 3
Donor grants and capital subscriptions to multilateral development banks: 2002-2007[a]

(Millions of current United States dollars)

	2002	*2003*	*2004*	*2005*	*2006*	*2007*
Multilateral development banks	5 584.61	5 299.03	8 608.52	7 312.69	9 668.39	8 463.66
European Commission	5 696.75	6 945.84	8 921.61	9 258.08	9 930.82	11 714.25
United Nations agencies	4 753.76	4 827.73	5 128.68	5 469.18	5 235.08	5 801.44
Multilateral flows	17 539.87	19 329.57	25 127.41	24 653.39	27 457.28	30 597.75
Total ODA flows	58 296.68	69 064.86	79 431.51	107 077.81	104 368.76	103 486.83

[13] Total official flows include ODA and other official flows from multilateral and bilateral sources. Data in this note are collected from OECD International Development Statistics online, which documents financial flows of the World Bank Group and the regional development banks including Caribbean Development Bank. Unless otherwise indicated, data on multilateral development banks also include Caribbean Development Bank.

[14] It is important to note that there is no internationally agreed definition of development aid, which makes comparison of development aid statistics by the Organization for Economic Cooperation and Development Development Assistance Committee, the United Nations system and the European Commission more complicated.

	2002	2003	2004	2005	2006	2007
Multilateral development banks share of total multilateral ODA contributions (percentage)	31.8	27.4	34.3	29.7	35.2	27.7
Multilateral development banks share of total ODA contributions (percentage)	9.6	7.7[a]	10.8	6.8	9.3	8.2

Source: OECD Development Assistance Committee International Development Statistics online.
[a] Includes Caribbean Development Bank data.

Multilateral development banks account for almost half of multilateral official development assistance disbursements

38. Multilateral development banks accounted for between 40 and 50 per cent of overall multilateral ODA disbursements and around 10 per cent of total ODA flows to recipient countries in the 2001-2007 period (see table 4).

39. The International Development Association (IDA) is the single largest provider of development aid among the multilateral development banks. IDA is funded largely by contributions from Governments of developed countries, with additional funds coming from income of the World Bank and repayment of IDA credits. Since 1990, IDA has accounted on average for around 30 per cent of net ODA disbursements by multilateral institutions. The fifteenth replenishment cycle (1 July 2008 to 30 June 2011), resulted in the largest increase in donor funding in the history of IDA, providing $41.6 billion, an increase of $9.5 billion, over the fourteenth replenishment cycle. Forty-five countries, the highest number in the history of IDA, made pledges to the fifteenth replenishment cycle, with six countries contributing for the first time.[15] A record $25.1 billion was pledged for the World Bank to help overcome poverty in the poorest countries of the world, a 42 per cent increase over the fourteenth replenishment cycle.

Table 4
Gross official development assistance disbursements by multilateral development banks: 2001-2007
(Millions of current United States dollars)

	2001	2002	2003	2004	2005	2006	2007
Multilateral development banks	8 266.00	9 760.48	9 755.00	12 002.35	11 582.16	48 319.81	17 603.17
Share of multilateral ODA disbursements (percentage)	42	46	43	45	42	69	48
Share of all donor ODA disbursements (percentage)	10	11	9	10	8	25	11

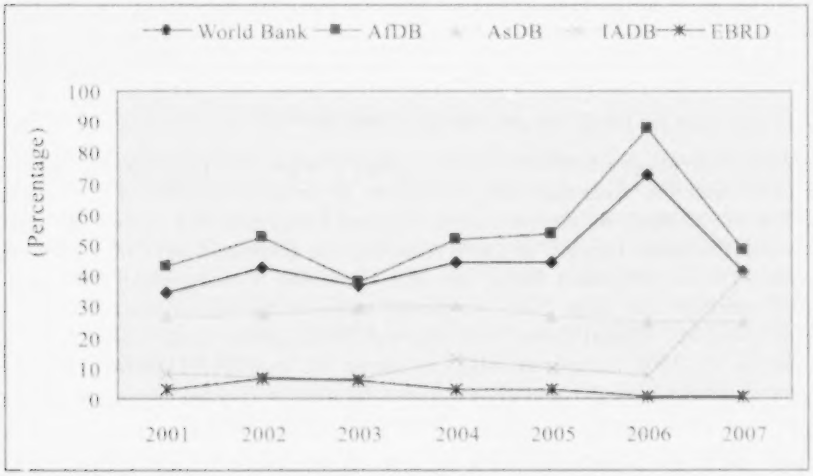
Source: OECD Development Assistance Committee International Development Statistics online.

[15] China, Cyprus, Egypt, Estonia, Latvia and Lithuania.

Concessionality varies greatly among multilateral development banks and across regions

40. Among the multilateral development banks, concessional development cooperation activities constitute a widely different share of resource flows to developing countries. In the 2001-2007 period, the African Development Bank allocated nearly 50 per cent of its annual resources as ODA, as mentioned earlier, while the corresponding ratio for the World Bank and the Asian Development Bank was 40 and 30 per cent respectively (see graph). The European Bank for Reconstruction and Development maintains a small ODA budget, accounting for only 3-6 per cent of the Bank's gross disbursements, reflecting its primary focus on financing investment projects on market terms.

Official development assistance disbursements as percentage of total official flows from multilateral development banks: 2001-2007



Source: OECD Development Assistance Committee International Development Statistics online.

41. The share of net ODA flows from multilateral development banks to Africa grew steadily from about 42 per cent in 2001 to almost 53 per cent in 2007, but the share of net ODA flows to Latin America experienced a decline from almost 9 per cent to 4.4 per cent in the same period (see table 5). Asia has also seen its share of ODA funding from multilateral development banks decline in the 2001-2007 period. The increase in ODA to Africa from multilateral development banks can be explained by higher IDA flows to the continent, as well as more ambitious scaling up of ODA disbursements by the African Development Bank compared to other regional development banks.

Table 5
Net official development assistance flows from multilateral development banks by region: 2001-2007
(Millions of current United States dollars)

	2001	*2002*	*2003*	*2004*	*2005*	*2006*	*2007*
Africa	2 747.55	3 521.65	3 431.51	4 773.84	4 452.05	4 785.22	5 355.91
Share (percentage)	42.1	46.7	46.5	51.6	51.6	54.3	52.7
Asia	3 052.14	3 262.01	3 028.85	3 347.57	3 375.43	3 454.59	4 157.16
Share (percentage)	46.8	43.2	41.1	36.2	39.1	39.2	40.9
America	582.05	514.2	617.7	628.69	551.37	408.04	444.86
Share (percentage)	8.9	6.8	8.4	6.8	6.4	4.6	4.4
Oceania	12.55	8.38	12.01	11.64	12.15	13.26	10.54
Share (percentage)	0.2	0.1	0.2	0.1	0.1	0.2	0.1

Source: OECD Development Assistance Committee International Development Statistics online.

Regional development banks are growing in prominence

42. Regional development banks currently play a larger role than the World Bank in the Latin America, Asia and Oceania regions in terms of volume of net official flows. The World Bank, on the other hand, remains a bigger source of funding in the African and European regions. In Latin America, the combined net flows from the Inter-American Development Bank and the Caribbean Development Bank have expanded steadily, and since 2001, surpassed those of the World Bank (except in 2004). In Asia, net official flows from regional development banks reached nearly $5.6 billion in 2007, twice as high as those of the World Bank. Regional development banks have particularly expanded funding to middle-income countries, where their combined net flows surpass those of the World Bank.[16]

43. The growing prominence of regional development banks reflects their comparative advantages vis-à-vis the global financial institutions at the regional level. Greater representation of beneficiary countries in the governing bodies of regional development banks compared to the global financial institutions has also fostered enhanced sense of ownership among recipient countries. Regional development banks are also seen as an effective mechanism to coordinate the financing of transborder regional public goods and as being well suited to facilitate transmission and utilization of region-specific knowledge and to design policies that are appropriate to regional economic needs.[17]

Refinancing effort is under way

44. Recent years have seen renewed calls for further strengthening of the development mission of the multilateral development banks, with a view to enabling them to better serve regional development needs, particularly those of low-income countries. A number of proposals have been put forward towards that end, most

[16] See *World Economic and Social Survey 2005* (United Nations publication, Sales No. E.05.II.C.1).
[17] Ibid.

recently at the G20 summit in London in April 2009, to address the immediate impact of the global economic and financial crisis, while prompting long-term reform of the multilateral development banks.

45. An expanded role of multilateral development banks in providing counter-cyclical financing, as well as improved insurance and risk management services at the regional level, would require significant increase in their resource base and/or enhanced access to co-financing and credit guarantee schemes. At the G20 summit in London, it was agreed to increase the financial resource base of regional development banks by $100 billion between 2009 and 2011. At the Doha Review Conference on Financing for Development, held in November/December 2008, Heads of State and Government also called on multilateral development banks to continue to explore innovative ways to leverage additional financing for development, while preserving their capital base and ensuring sustainability of operations.

V. Global funds

Major players in health and environment funding

46. Global programmes, often referred to as "global funds" or "vertical funds", are defined as partnerships and related initiatives whose benefits are intended to cut across more than one region of the world and in which the partners reach explicit agreement on objectives, agree to establish a new (formal or informal) organization, generate new products or services, and contribute dedicated resources to the programme.[18] In other words, global funds focus "vertically" on specific issues or themes, in contrast with the "horizontal" approach of the country-based model of development programming.

47. Contributions to global programmes accounted for 3 per cent of total ODA in 2005. Table 6 presents the current level of resources committed to six major global funds. The global funds have proved, in particular, to be an important instrument of the international community in addressing major diseases. The Global Fund to Fight AIDS, Tuberculosis and Malaria, for example, the largest of the six global funds, has provided a quarter of all funding for HIV/AIDS globally, two thirds for tuberculosis and three quarters for malaria.[19]

48. The United Nations was a key actor in the establishment of many of the global funds. However, there is a perception that the global funds must remain focused initiatives and not grow to replace or undermine the broader and more complex programming requirements of the United Nations development system. Resources contributed to the global funds in many instances tap into the same government budget lines as related initiatives of the United Nations development system. Most of the global funds are also seen as depending heavily on traditional sources of ODA and not generating additional contributions from non-traditional partners. In addition, it is felt that although the global funds may reduce transaction costs for donors, their operations often lead to significant increase in administrative burden

[18] See *Aid Architecture: an overview of the main trends in official development assistance flows*: an update: May 2008 (The World Bank Group).

[19] E/2006/60.

on programme country Governments due to weak alignment with national systems and on United Nations system entities.

49. The global funds have adopted a wide range of governance and management arrangements. For example, they may be independent legal entities with autonomous governing bodies and their own management structures such as the Global Fund to Fight AIDS, Tuberculosis and Malaria and the Joint United Nations Programme on HIV/AIDS (UNAIDS). Other global funds may operate instead as informal associations of partners without legal status. Such funds may be governed by representatives from donor institutions, partner countries, private foundations and members of civil society (for example, the Global Alliance for Vaccines and Immunization and Stop TB Partnership). The global funds therefore vary greatly in the manner governing bodies are constituted and empowered to act. In addition, in many instances, the hosting agencies play the role of implementing partners applying their own management policies and procedures, which may further complicate accountability arrangements.

Table 6
Global funds

	Financial resources			
Global funds	*Latest cycle*	*Pledges*	*Previous cycle*	*Pledges*
GFATM	2008-2010	$9.7 billion[a]	2005-2008	$5.4 billion
GEF	2006-2010	$3.13 billion[b]	2002-2006	$3.0 billion
GAVI[c]	2006-2015	$1.6 billion	2000-2005	$1.7 billion
UNAIDS	2008-2009	$469 million[d]		
IFFIm	20 years since 2006	$5.3 billion[e]		
GAIN[f]	2007-2008	$55.5 million[g]		

[a] Pledges and projected contributions.
[b] GEF-4 replenishment, Global Environment Facility website.
[c] E/2006/60.
[d] Biennial budget.
[e] International Finance Facility for Immunization website.
[f] Global Alliance for Improved Nutrition.
[g] Donations received, Global Alliance for Improved Nutrition financial statement 2007-2008.

VI. Innovative sources of financing for development

Harnessing markets to fund health-related development priorities

50. At an international meeting convened in Paris from 28 February to 1 March 2006, the Leading Group on Solidarity Levies to Fund Development was established as the first international framework for exploring and piloting innovative sources of development financing since the International Conference on Financing for Development held in Monterrey, Mexico, in 2002. The Leading Group currently brings together 55 member countries, 3 observer countries, major international organizations including the World Bank, WHO, UNICEF and UNDP, and non-governmental organizations.

51. The first initiative launched under the auspices of the Leading Group was a special solidarity levy on international air tickets. Revenue from this mechanism is allocated for the most part, to the International Drug Purchase Facility (UNITAID), which aims to reduce the cost of malaria, tuberculosis and HIV/AIDS treatments. The air ticket levy has enabled France to generate an extra 160 million euros in conventional aid. The levy, which is already in implementation in 11 countries with an additional 20 countries committed to its introduction in the near-future, is expected to raise about $1 billion-$1.5 billion a year for development.

52. The International Finance Facility for Immunization (IFFIm), launched in January 2006, is the second major initiative spearheaded under the auspices of the Leading Group. The Facility is a large-scale prefinancing mechanism based on a system of guaranteed bonds. Funds are raised by issuing bonds on the basis of pledges by donors or private foundations. Funds are predictable and stable and can be used directly for projects in the health sector. Donors have pledged more than 5.3 billion euros over 20 years to the Facility in order to fund immunization programmes in developing countries.

53. The third major initiative, known as advanced market commitments brings together market instruments and public financing. Advanced market commitments address two important challenges: first, vaccines are currently not being developed for diseases that affect mainly poor countries and second, vaccines for diseases in rich countries are not made available quickly and affordably to poor countries. In an advanced market commitment, donor Governments commit funds to guarantee the price of vaccines once they have been developed, thus creating the potential for a viable future market.

54. In September 2006, G-8 countries launched a pilot project against pneumococcus, a lethal pneumonia-inducing bacteria which still kills 1.6 million people a year, most of them children. In February 2007, six donors, Italy, the United Kingdom of Great Britain and Northern Ireland, Canada, Norway, the Russian Federation and the Bill and Melinda Gates Foundation, made pledges in the amount of $1.5 billion, the recommended size of the pilot advanced market commitment project for pneumococcal vaccines. The advanced market commitment initiative is expected to catalyse investments by two or three multinational firms and by at least one firm in an emerging country so that new vaccines will be developed, scaled up and licensed and more efficient second-generation technologies promoted for vaccine production tailored to the needs of developing countries.

55. The advanced market commitment initiative has already achieved important results though it is not yet under implementation: it has helped increase pressure on the private sector to devote resources to otherwise unprofitable cures; opened a new frontier in financing the global fight against poverty and endemic diseases; and reinforced the idea that immunization is cost-effective and that health needs to be high on the development agenda. With the arrival of advanced market commitments, private sector companies have started to consider developing a vaccine against pneumococcal disease to save lives in developing countries.

56. The air ticket levy, IFFIm and advanced market commitments have mobilized close to $10 billion for development in developing countries.[20]

[20] Informal note prepared by the Financing for Development Office of the United Nations Department of Economic and Social Affairs, 2009.

57. Another innovative financing mechanism known as Debt2Health was launched in Berlin on 26 September 2007. Under individually negotiated agreements, creditors relinquish the right to repayment of loans against the beneficiary country investing the freed-up resources in approved programmes of the Global Fund to Fight AIDS, Tuberculosis and Malaria.

58. Germany was the first champion creditor in Debt2Health, committing to make available 200 million euros from debt to health conversions by 2010. The first swap agreement was signed between Germany and Indonesia on the occasion of the global launch of Debt2Health for 50 million euros to finance urgent and lifesaving investments in HIV/AIDS services and public health interventions. Another Debt2Health swap was concluded between Germany and Pakistan for 40 million euros at the Doha Review Conference on Financing for Development in November 2008. Additional agreements are under discussion, including the conversion of 75 million Australian dollars of Indonesian commercial export credit debt by the Government of Australia. Based on current Debt2Health negotiations, such debt swaps will have generated an additional $450 million by 2010 to fight the three pandemics.

Diversification into other sectors is under way

59. The use of innovative financing mechanisms is being extended to other development areas, such as climate change. This includes taxation instruments currently under consideration. Carbon saturation and depletion of fossil fuels, two of the planet's major environmental challenges, remain insufficiently incorporated in the pricing of energy. The price of fossil fuels, despite significant increase in recent years, is too low to catalyse change in the behaviour of individual actors. Carbon taxes are promising innovations that may generate the right type of incentives. The European Union, in its 2008 energy and climate package, introduced a bidding mechanism for firms to purchase CO2 emission rights. At least 50 per cent of the revenue generated from auctioning the allowances will be used to reduce greenhouse gas emissions and to develop renewable energies with a view to meeting agreed targets as well as to foster the creation of technologies that promote a low-carbon and energy efficient economy.

60. Payment for environmental services is another innovative scheme devised to channel resources to those delivering important public goods. For instance, downstream users of water cleansed by an upstream forest can pay those who manage the forest to ensure sustainable flow of the service into the future. The clean development mechanism under the Kyoto Protocol is based on a similar concept by allowing industrialized countries or their businesses with a greenhouse gas reduction commitment to invest in projects that reduce emissions in developing countries as an alternative to more expensive emission reductions in their own countries.

Digital levy is under consideration

61. Discussions are also under way to establish a 1 per cent solidarity levy, initially promoted by Senegal, to finance the Digital Solidarity Fund, aimed at overcoming the digital gap, a major obstacle to development in developing countries. This innovative funding mechanism would be based on voluntary commitment by any public or private institution to introduce such criteria in invitations for tender on public contracts in the information technology sector. The

World Conference on Digital Solidarity and its Financing, which took place in Lyon, France on 24 November 2008, noted the pioneering character of the act passed by the Parliament of Senegal in 2008, where such voluntary funding mechanism was set up, and called upon all countries to support the objectives reflected in the draft international convention on digital solidarity.

VII. South-South and triangular development cooperation

62. South-South and triangular cooperation is of growing importance in international development cooperation. Analytical work conducted for the 2008 Development Cooperation Forum of the Economic and Social Council focused on the scale, scope and quality of South-South and triangular development cooperation, especially the views of 32 programme countries on its contribution to development.[21] This analysis, with support from Governments of the South, has contributed to more comprehensive and reliable information and data on South-South development cooperation.[22]

South-South cooperation is a rapidly growing dimension of global development cooperation

63. The findings of the survey suggest that South-South development cooperation accounted for roughly $12.6 billion in 2006. This form of cooperation has grown significantly in recent years owing to rapid economic development in a number of developing countries, which has increased the availability of funds and helped Governments to play a more active role in development cooperation. Of the total figure, around 20 per cent is provided through multilateral organizations.

64. In terms of its scope and quality, development support for South-South cooperation is currently playing a key role in the international aid architecture, exhibiting considerable strengths as well as some weaknesses. Such support is highly complementary to aid from Development Assistance Committee donors and multilateral institutions.

Triangular development cooperation is growing as well

65. Around 90 per cent of South-South development cooperation comes in the form of project finance and technical assistance, with only around 10 per cent in balance of payments or budget support. Some contributors are planning to move to more programme-based approaches in future.

66. Many contributors to South-South cooperation have programmes that are co-financed by triangular cooperation, whereby Development Assistance Committee donors finance projects executed by institutions of the South. The focus of triangular development cooperation is primarily technical cooperation because contributors are seen as having expertise relevant to meeting developing country needs. However, lack of information makes it difficult to quantify amounts or to

[21] For further information please refer to the background study "Trends in South-South and triangular development cooperation" (see www.un.org/ecosoc/newfunct/2008dcfbckgrd.shtml).

[22] In order to distinguish it from other South-South flows, which are also growing rapidly, development cooperation discussed in the present note covers only flows which match the definition of ODA used by OECD Development Assistance Committee.

conduct detailed analysis of the scope, quality or impact of triangular development cooperation.

67. Contributors to South-South development cooperation allocate most assistance to countries with which they have close political, trade and investment ties. This includes a strong concentration in nearby regions, reflecting cultural and language links, better understanding of needs, trade and investment opportunities and lower administrative costs. The concentration also allows Southern contributors to focus strongly on regional projects, which are a priority of many programme countries.

Two thirds of Southern assistance is provided as loans and one third as grants

68. Around two thirds of Southern assistance is estimated to be provided as loans with approximately one third as grants. However, for most low-income countries, these loans carry little risk of making debt unsustainable, because they are concessional, in line with programme country policies.

69. Programme countries see South-South cooperation as aligned with their priorities in a relatively balanced way, providing considerable funding for infrastructure (for example, energy, telecommunications and roads) and productive sectors, as well as social sectors. Some contributors pass almost all aid through the budget of the programme country, while others channel virtually all aid extrabudgetarily.

Flexibility and predictability characterize South-South cooperation

70. Contributors to South-South cooperation are also seen as being responsive to changing priorities in programme countries and to natural disasters, even though they do not have formal contingency allowances or facilities specifically designed to combat exogenous shocks.

71. South-South development cooperation is seen as relatively predictable because around three quarters of it is disbursed within the scheduled financial year, a process which facilitates fiscal planning. Many projects are also executed more rapidly than non-South projects, accelerating their contribution to development, although some contributors have been less predictable than others and some projects have run into execution delays.

Policy conditionality is largely absent

72. One reason for the predictability of South-South cooperation is that policy conditionalities are largely absent, making it more attractive to programme countries than aid which is tied to policy changes. A second reason for predictability is that it is relatively unencumbered by procedural and administrative delays. This is because most contributors to South-South cooperation activities use their own, largely uncomplicated, financial management and procurement procedures and a few use national financial management procedures.

73. South-South development cooperation is mostly tied to procurement of the contributing country's goods and services, especially for technical cooperation and emergency aid, which does not necessarily mean it is high cost or poor standard, because goods from the South are often of good value and cost-effective. Some contributors, in particular Arab contributors, give preference to bidders from programme countries.

74. South-South development cooperation is subject to relatively little evaluation beyond scrutiny of the timeliness and completion of projects. This reduces missions and studies, lowering the transaction costs of the Governments of programme countries, yet it also means that there will be a reduced longer-term perspective on the sustainability or wider development impact of the project. South-South development cooperation is also subject to much less evaluation with respect to environmental and social impact, particularly in the case of infrastructure projects.

Contributors to South-South cooperation are little involved in formal harmonization initiatives and policy dialogue at the national level

75. Most contributors to South-South development cooperation do not participate in formal harmonization initiatives with other donors, except through some regional and country-led forums. An interesting exception is the high degree of procedural harmonization among Arab contributors through the Arab Coordination Group, whose members usually co-finance projects.

76. Because of their rejection of policy conditionality, contributors to South-South cooperation have not been deeply involved in policy dialogue with programme country Governments at the national level, although they are participating more regularly in recipient country-led donor coordination meetings (consultative groups, round tables and other meetings), especially on infrastructure issues.

77. While approximately two thirds of contributors to South-South cooperation have signed the Paris Declaration on Aid Effectiveness, they have not been at the forefront of international initiatives on strengthening aid effectiveness and, in spite of OECD efforts at liaison, many remain wary of a forum dominated by donors, where the particular characteristics of South-South cooperation are not taken into account.

VIII. Private philanthropy

Approximately 15 per cent of overall official development assistance flows

78. Private grants are an increasingly significant source of financing for development in developing countries.[23] In 2007, total private grants from donor countries amounted to $18.5 billion, equivalent to almost 18 per cent of overall ODA flows. Private institutions in OECD Development Assistance Committee countries contributed more than 99 per cent of such flows, or approximately $18.3 billion. Throughout the 2002-2007 period, the volume of private grants as a share of overall ODA from OECD Development Assistance Committee countries has averaged an estimated 15 per cent, experiencing faster growth than overall ODA (see table 7).

[23] Defined as grants by national non-governmental organizations and other private sources, including foundations and other private bodies, for development assistance and relief, together with any additional contributions in kind, made to or for developing countries, less support received from official sector (see DAC Statistical Reporting Directives (DCD/DAC(2007)34)).

Table 7
Net private grants and official development assistance flows: 2002-2007
(Millions of current United States dollars)

	2002	2003	2004	2005	2006	2007	Average growth (percentage)
ODA	58 296.68	69 064.86	79 431.51	107 077.81	104 368.76	103 486.83	12.98
Annual increase (percentage)		18.47	15.01	34.81	-2.53	-0.85	
Net private grants	8 768.35	10 239.15	11 320.32	14 711.76	14 647.76	18 508.4	16.64
Share of ODA (percentage)	15.04	14.83	14.25	13.74	14.03	17.88	15.00
Annual increase (percentage)		16.77	10.56	29.96	-0.44	26.36	

Source: OECD Development Assistance Committee International Development Statistics online.

Private grants originate in a small number of countries

79. The share of the Group of Seven (G-7) countries of overall private grants ranged between 83 and 86 per cent in the 2002-2007 period, with institutions in the United States of America accounting for more than 60 per cent of total flows. Since 2004, there has been a significant increase in private grants from G-7 countries (see table 8).

Table 8
Major contributors of private grants: 2002-2007
(Millions of current United States dollars)

	2002	2003	2004	2005	2006	2007
Total	8 768.35	10 239.15	11 320.32	14 711.76	14 647.76	18 508.4
G-7 countries	7 329.41	8 651.23	9 442.85	12 199.86	12 465.71	15 964.01
Share (percentage)	83.59	84.49	83.42	82.93	85.10	86.25
United States	5 720	6 326	6 792	8 628.56	9 037	12 161
Share (percentage)	65.23	61.78	60.00	58.65	61.70	65.71

Source: OECD Development Assistance Committee International Development Statistics online.

Tax incentives have fostered private giving

80. A notable recent trend is the growing volume of private grants from outside the United States. Tax incentives to encourage charitable donations by individuals and corporations have had measurable impact in raising private giving in a number of European and Asian countries, leading to significant growth in the establishment of foundations and to increased contributions. As of early 2007, for example, there were 133 active corporate foundations in France, more than double the number in 2003. This increase is attributed to a new act allowing higher tax deductions for charitable contributions. Tax incentives have also played an important role in raising individual giving in the Netherlands, with household donations amounting to 42.4 per cent of all private contributions to charities in 2005.

Health, relief and environment are primary focus areas of private foundations

81. Foundations in the United States and Europe contributed more than $4.4 billion, or nearly 4 per cent of overall ODA flows, to health and environmental programmes in developing countries in 2005. A small number of private institutions, such as the Bill and Melinda Gates Foundation and the Ford Foundation, accounted for a large share of these grant flows. Excluding the Bill and Melinda Gates Foundation, the volume of funds contributed by United States foundations to international development in the 2002-2004 period, would in fact have declined, with some reduction in the number of institutions recorded as well. In 2006, the expenditure of United States foundations on international development reached $4 billion.[24] According to the World Bank, roughly 45 per cent of grant giving by United States foundations went to emerging developing countries like China, India, South Africa and Brazil, with 55 per cent of contributions allocated to health programmes, 21 per cent to relief initiatives and nearly 8 per cent to environmental projects.[25]

Private grants are heavily concentrated in low-to-middle and middle-income countries

82. Analysis conducted by the World Economic Forum based on extrapolation of company survey data has estimated that Fortune Global 500 companies alone contribute each year $12 billion in cash and somewhere between $10 billion-$15 billion in kind to international development.[26] Much of the corporate philanthropy in developing countries is linked to production or marketing operations, which are more likely to be based in low-to-middle and middle-income countries. An exception may be the current trend of significant grant giving by oil and gas companies in about 40 low- and low-to-middle-income countries, in part, to mitigate against potential business risk.

Remittance flows are slowing down

83. Although generally not regarded as private giving, remittances play an increasingly important role in contributing to poverty alleviation in developing countries by supplementing the income of individuals and providing added resources to communities. Remittances, according to World Bank statistics, have exceeded ODA since the late 1990s. Remittances are estimated to have reached $283 billion in 2008, up 6.7 per cent from $265 billion in 2007. The estimated 2008 figure for remittances constitutes about 1.8 per cent of the gross domestic product of developing countries, compared to 2 per cent in 2007. After several years of strong growth, remittance flows to developing countries began to slow down in the third quarter of 2008. This slowdown is expected to further deepen in 2009 in response to the global economic and financial crisis. Compared to other sources of foreign exchange earnings, recorded remittances have been less volatile and have experienced the most robust growth since 1990. The top 10 remittance-recipient

[24] Data from Foundation Center, Council on Foundations and the Hudson Institute *Index of Global Philanthropy* (2008).

[25] Olga Sulla. "Philanthropic foundations actual versus potential role in international development assistance" (World Bank Global Development Finance Report Group, 2006).

[26] *Building on the Monterrey Consensus: the growing role of public-private partnerships in mobilizing resources for development* (World Economic Forum, 2005).

countries in 2008 were China, India, Mexico, Philippines, Poland, Nigeria, Egypt, Romania, Bangladesh and Pakistan.[27]

Better data are needed on global philanthropic flows

84. Lack of accurate data is a major constraining factor in attaining a comprehensive overview of private philanthropy. The OECD is currently the only intergovernmental organization that systematically documents global private grant flows. However, while OECD focuses on contributions from private institutions, it excludes individual giving, which may be considerable, especially to humanitarian causes. Furthermore, OECD only documents private flows from its members and other donor countries.[28] OECD reporting, for example, does not include information on the growing philanthropic engagement of private donors in Southern countries. Some Governments, as a result, have started their own initiatives to monitor and report on private giving.

[27] See *Migration and development brief 8* (World Bank, November 2008).

[28] Includes Czech Republic, Hungary, Iceland, Republic of Korea, Poland, Slovakia, Turkey and Arab countries.

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Letter dated 19 May 2009 from the Permanent Representative of Japan to the United Nations addressed to the President of the Economic and Social Council

It is my honour to transmit to you herewith the national report of Japan, entitled "Implementing the internationally agreed goals and commitments in regard to global public health", for the annual ministerial review scheduled to be held during the high-level segment of the 2009 substantive session of the Economic and Social Council (see annex).

I would be grateful if you could kindly circulate the present letter and its annex as a document of the Economic and Social Council, under item 2 (b) of the provisional agenda.

(*Signed*) Yukio **Takasu**
Ambassador
Permanent Representative

* E/2009/100.

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Annex to the letter dated 19 May 2009 from the Permanent Representative of Japan to the United Nations addressed to the President of the Economic and Social Council

National report of Japan

Implementing the internationally agreed goals and commitments in regard to global public health

A. Efforts by the Government of Japan to implement national development strategies and policies

1. Policy framework

(a) The Official Development Assistance Charter

1. Japan's official development assistance (ODA) is an integral part of its foreign policy. It supports capacity development and nation-building in developing countries, and also contributes to meeting global challenges. As stipulated in the ODA Charter revised in 2003 from the 1992 original version, the objectives of Japan's ODA are "to contribute to the peace and development of the international community, and thereby to help ensure Japan's own security and prosperity".

2. The basic polices that are pursued under the ODA Charter are: (a) supporting the self-help efforts of developing countries; (b) considering issues from the perspective of human security; (c) assuring fairness; (d) utilizing Japan's experience and expertise; and (e) pursuing collaboration with the international community and other stakeholders, including international organizations, other donor countries, non-governmental organizations (NGOs) and the private sector. The Charter also identifies the following issues as priorities: (a) poverty reduction; (b) sustainable growth; (c) addressing global issues; and (d) peacebuilding. The Charter's principles of ODA implementation stipulate that assistance may never be put to military use, and that it must promote the democratization of developing countries.

(b) Medium-Term Policy on Official Development Assistance, Country Assistance Plans and annual Priority Policy for International Cooperation

3. Under the ODA Charter, the Medium-Term Policy on Official Development Assistance, adopted in 2005, was formulated for the purpose of defining and elaborating Japan's basic policies on medium-term assistance, including what it provides in advancement of the Millennium Development Goals. The Medium-Term Policy is supplemented by Japan's Country Assistance Plans, which provide the basis for the assistance it gives each country, and sector-specific initiatives, which are field-by-field guidelines. Together, the plans and initiatives provide an additional framework for Japan's assistance, and to date, Japan has adopted 28 of the former and 8 of the latter, including in the health sector. In order to implement ODA in a more consistent, efficient and effective manner, each of the Country Assistance Plans sets out the timetable for the assistance that is to be provided over approximately the next five years, based on the target country's developmental needs and its current developmental plans. It also outlines the significance of Japan's assistance to that country, the direction cooperation should take in the

future, priority areas, major challenges and issues that should be considered in connection with the implementation of aid.

4. Furthermore a paper called "Priority Policy for International Cooperation" has been formulated every fiscal year since 2007. Supplementing the country assistance plans, it identifies those issues to which Japan attaches priority, so that it may respond swiftly to recent developments and issues in Japan's diplomacy. For fiscal year (FY) 2009, the following priorities were identified: (a) supporting Asian countries' efforts to strengthen their growth potential and expand domestic demand in response to the current financial and economic crisis; (b) supporting efforts for reconstruction in Afghanistan and economic stabilization in Pakistan in order to eradicate terrorism; (c) supporting measures to address climate change issues (promoting the "Cool Earth Partnership"); (d) steadily implementing commitments such as doubling Japan's ODA to Africa (TICAD IV) and contributing to realizing the Millennium Development Goals (G8 Hokkaido Toyako Summit); (e) promoting trade and investment to developing countries; and (f) further promoting collaboration with NGOs.

2. Basic structure and implementation

(a) Strategic function

5. Japan's international cooperation programme has undergone major reform and significant restructuring since 2006. Specifically, its strategic and policy planning functions have been strengthened and the new JICA was established.

6. With regard to the strengthening of strategic functions, the Overseas Economic Cooperation Council was established in April 2006 as the supreme strategic decision-making body. Chaired by the Prime Minister and composed of the Chief Cabinet Secretary, the Minister for Foreign Affairs, the Minister of Finance and the Minister of Economy, Trade and Industry, it engages in flexible and practical deliberations on important matters pertaining to overseas economic cooperation. Among the issues to which it has turned its attention are ODA policy; the extent and quality of ODA relating to Asia, Africa, China, Iraq, India and Afghanistan, resources, energy, the environment, support for legal systems and peacebuilding.

(b) Policy planning/formulation function

7. Regarding the policy planning and formulation function, the Ministry of Foreign Affairs plays a major role within the Government, serving to coordinate activities in the policy area. Within the Ministry itself, the International Cooperation Bureau, established in August 2006, is charged with comprehensive planning and drafting of policies relating to bilateral as well as multilateral development assistance. Within the Government, the Bureau also plays a central role in coordinating the work done by government agencies, so as to ensure that the ODA provided by each is designed and executed coherently and in line with strategic values and yields the maximum results. The International Cooperation Planning Headquarters, established under the Minister of Foreign Affairs, plans and formulates policies such as the "Priority Policies for International Cooperation" and also deliberates on important matters relating to international cooperation.

3. Establishment of New Japan International Cooperation Agency

8. In October 2008, former Japan International Cooperation Agency (JICA), which carried out technical cooperation and promoted the implementation of grant aid, merged with the Overseas Economic Cooperation within the former Japan Bank for International Cooperation (JBIC), which had been in charge of providing ODA loans, creating New JICA. In addition, a large part of the responsibility for implementing grant aid that had previously belonged to the Ministry of Foreign Affairs (MOFA) was transferred to New JICA, making it the world's largest bilateral development organization, with some US$ 10.3 billion in available financial resources. This enables New JICA to handle all three instruments of aid: technical cooperation, grant aid and ODA loans in an integrated fashion, thereby enabling it to maximize synergy effects. For example, previously, when a project was being formulated, separate development studies were conducted for different assistance instruments. Preparatory surveys, which are newly adopted survey studies applied uniformly to the three schemes, can conduct development studies without being tied to any of them and accelerate the project formulation process. New JICA regards surveys and research on international cooperation as among its key functions, and therefore established the JICA Research Institute. New JICA continues to conduct its long-established operations such as the dispatch of Japan Overseas Cooperation Volunteers and Senior Overseas Volunteers to assist in the social and economic enhancement of developing countries and Japan Disaster Relief Teams to provide emergency relief goods in the wake of major disasters. The inauguration of New JICA enhances the quality of Japan's ODA by promoting more efficient, effective and rapid implementation.

4. Aid volume

9. During the 1990s, Japan was the largest donor country in the world. Japan's ODA budget peaked in fiscal 1997, and since then, the scale of its assistance has declined more or less steadily. Among Organization for Economic Cooperation and Development-Development Assistance Committee (OECD-DAC) countries, Japan's net ODA disbursements in 2002 ranked second behind the United States; in 2008 they ranked fifth. Japan's net ODA disbursements in 2008 totalled US$ 9,362 million, compared with US$ 7,678 million in 2007, an increase of 8.2 per cent in real terms over 2007. Japan's gross ODA disbursements in 2008 totalled US$ 17,401 million, compared with US$ 13,566 million in 2007, representing an increase of 13.8 per cent in real terms. Japan's ODA/gross national income (GNI) ratio rose from 0.17 per cent to 0.18 per cent in this time.

10. A breakdown of ODA net disbursements in 2007 shows that bilateral ODA accounted for roughly 75.2 per cent of the total; the remainder went to ODA channelled through international organizations.

(a) Allocation by region

11. With regard to bilateral ODA by region, Japan traditionally has placed emphasis on Asia. In recent years, it has gradually shifted allocations from Asia to Africa and the Middle East. This is partly because many Asian countries have developed to the point where they no longer need Japan's ODA. Also, Japan has made commitments to Africa in forums such as the Tokyo International Conference on African Development (TICAD) and engaged in peacebuilding efforts in the

Middle East that have included reconstruction projects in Iraq and Afghanistan and also the Middle East peace process. In 2000, 54.8 per cent of Japan's net ODA disbursements went to Asia while 10.1 per cent went to Africa and 7.5 per cent to the Middle East. In 2007, Asia accounted for 28.3 per cent of the total, at US$ 1,634 million. Africa accounts for 29.4 per cent at US$ 1,701 million and the Middle East accounts for 16.4 per cent, at US$ 948 million. Latin America accounts for 3.9 per cent of the total, at US$ 226 million, Oceania for 1.2 per cent, at US$ 70 million, and Europe for 0.8 per cent, at US$ 48 million. Assistance covering multiple regions accounts for the rest, at about US$ 1,152 million.

(b) Allocation by method

12. A breakdown of bilateral ODA indicates that disbursements calculated as grant aid totalled US$ 3,414 million, amounting to 44.5 per cent of overall net ODA disbursements. Of this amount, debt relief accounted for 25.3 per cent, at US$ 1,941 million, grant aid through international organizations accounted for 5.1 per cent, at US$ 395 million, and funds provided by Japan for grant aid excluding other aforementioned categories accounted for 14 per cent, at US$ 1,078 million. Additionally, technical cooperation accounted for 33.5 per cent, at US$ 2,569 million, loan aid amounted to US$ 205 million, and loan aid excluding debt relief amounted to US$ 161 million.

(c) Aid effectiveness

13. Japan is firmly committed to the principles of the Paris Declaration and Accra Agenda for Action. Japan has formulated its own Action Plan for Implementing the Paris Declaration, and progress in implementing it is described in annual reports. In addition, the emergence of new donors makes it more important than ever for the donor community to coordinate their activities so as to maximize their effectiveness and collective impact on developing countries. To that end, Japan, together with other donors, organized workshops in Asia to exchange experiences on this subject with developing countries and providers of development assistance.

B. Efforts by the Government of Japan to implement the internationally agreed goals and commitments in regard to global public health

1. Basic principles of Japan's global health policy

(a) Basic principle

14. Health problems in developing countries are not only threats to individual lives or human security, but also have a negative socio-economic impact, and are therefore grave obstacles to development. For example, health conditions worsen when health systems are fragile, when there is a lack of access to health services and health education, when there is malnutrition, or a lack of safe drinking water and adequate sanitary facilities. At the national level, the result is a shrinking of the labour force, increases in the cost of medical care, and declining levels of education, all of which in turn contribute to rising rates of poverty. To reduce poverty, it is therefore extremely important to improve the health situation.

15. Moreover, with the progress of globalization, we need to address threats posed by infectious diseases such as HIV/AIDS, avian and emerging influenza, and severe acute respiratory syndrome (SARS) which spread easily across national borders. These are global issues which are common threats to humankind. Japan consequently has a responsibility to take measures against infectious disease in order to protect people throughout the world.

16. In 2000, the United Nations Millennium Declaration was drawn out, incorporating internationally agreed goals focusing on poverty reduction. Three out of eight Millennium Development Goals (MDGs) drawn out based on the Declaration are health-related, and Japan, in addition to pursuing several independent health initiatives, is committed to achieving these MDGs, as important goals to which we should contribute.

17. In realizing this basic view, Japan adheres to both a "comprehensive approach", which addresses measures to combat infectious diseases and strengthen health systems in a balanced manner, and a "participatory approach", which calls for the participation and cooperation of all stakeholders, including donor countries, international organizations, the private sector, academia and civil society. The importance of these two approaches was emphasized by Mr. Masahiko Koumura, Minister for Foreign Affairs, in his policy speech entitled "Global Health and Japan's Foreign Policy-From Okinawa to Toyako"[1] and was thoroughly reflected in the approaches presented at TICAD IV and the Group of Eight (G8) Hokkaido Toyako Summit.

(b) Human security

18. With the progress of globalization, threats that are endangering people such as internationalization of local or regional conflicts, the spread of infectious diseases, increases in poverty, outflows of refugees and the sudden occurrence of economic crises. We have more threats than a single State alone can fully address. It is in response to this situation that the concept of human security emerged. Complementing national security, human security focuses on primary focus on individuals, aims to fully realize their rich potential by providing protection and empowerment, and tries to achieve nation-building.

19. Human security constitutes one of the pillars of Japan's diplomacy, and we actively promote the concept in bilateral and multilateral diplomatic arenas. Through these efforts, the concept of human security is becoming increasingly prominent in the global agenda. For example, the 2005 World Summit Outcome addressed the concept of human security, and in May 2008 the United Nations General Assembly convened thematic debate on this subject. Furthermore, human security is being discussed under the frameworks of the G8, the Asia-Pacific Economic Cooperation (APEC), the Organization for Economic Cooperation and Development (OECD), the Organization for Security and Cooperation in Europe (OSCE). Moreover, we held workshops with regional organizations such as the European Union (EU) and the African Union (AU) for the purpose of disseminating the concept.

20. To realize the concept of human security in the field, Japan has been providing assistance in respect of this concept as our basic principle of ODA programme. In addition, Japan established the Human Security Trust Fund at the United Nations, and as of March 2009 it has donated 37.3 billion yen in total.

21. Thus, human security, which aims to protect and empower both individuals and communities, is an indispensable conceptual basis for achieving greater peace and development in the world, as well as for promoting further efforts in the area of health. The human security approach is vital in seeking ways of achieving MDGs 4, 5 and 6, especially in sub-Saharan Africa, where there is concern they may not in fact be achieved.

2. Initiatives of the Japanese Government

(a) Okinawa Infectious Diseases Initiative

22. In the 1970s, the majority view was that infectious diseases were close to being eradicated in developed countries. However, in the last two decades, new types of infectious diseases called emerging and re-emerging infectious diseases spread, such as HIV/AIDS, Ebola haemorrhagic fever, SARS, avian influenza, multi-drug resistant tuberculosis (MDR-TB), extensively, resistant tuberculosis (XDR-TB) and most recently, influenza A (H1N1). For those people living in developing countries who are hygienically and nutritionally vulnerable, the prevalence of infectious diseases is a threat directly linked to death. The measures that need to be taken in response are consistent with the concept of human security, on the basis of which people are to be protected from vast and grave threats to their existence, lives and dignity, and empowered so that they can address these issues themselves.

23. Against this background, the Japanese Government decided to renew and strengthen measures against infectious diseases. At the G8 Kyushu Okinawa Summit in July 2000, under the chairmanship of Japan, the issue of infectious diseases in developing countries was for the first time made one of the major items on the agenda. Japan took the opportunity to announce the Okinawa Infectious Diseases Initiative (IDI) for the implementation of comprehensive measures in this area, to which it said it would allocate US$ 3 billion over the five-year period FY 2000 to FY 2004.

24. The IDI was formulated under the leadership of the Ministry of Foreign Affairs, following a wide-ranging discussion with related ministries and agencies, NGOs, United Nations organizations, and experts. It mainly addresses the problem of infectious diseases, including disease-specific measures to be taken against HIV/AIDS, tuberculosis (TB), malaria, parasitic infections, and polio. However, the IDI goes beyond such steps to include measures to strengthen health systems, for example, through the provision of a safe water supply, enhancement of primary health care, reinforcement of laboratory functions, and the human resources development of community health workers. This is where the IDI differs from development assistance, which specifically focuses on measures to combat certain infectious and other diseases. Under the IDI, Japan provided approximately US$ 5.8 billion worth of assistance, vastly exceeding its initial pledge of US$ 3 billion.

25. These policy developments served to enhance international interest in taking measures against infectious diseases and prompted the establishment of the Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM) in 2002. For this reason, Japan is called "the founding father of the Global Fund". It has contributed approximately US$ 1.04 billion to the GFATM to date.

(b) Health and Development Initiative

26. In 2002, the United Nations presented the MDGs as common development goals for the international community. The MDGs highlighted the challenges to be tackled and made it clear that they were interlinked. In response, Japan began to place strong priority on the need to shift from a disease-specific to a comprehensive approach that would include enhancing maternal, newborn and child health and strengthening the health systems that serve them in order to confront mounting health challenges. It also came to recognize that these challenges cannot be overcome only by addressing health issues.

27. In 2005, at the High-level Forum on Health MDGs in Asia and the Pacific, Japan announced what it called the "Health and Development Initiative (HDI)", which was to be a comprehensive approach, and it pledged US$ 5 billion in assistance over the five years from FY 2005 to FY 2009. In the formulation process, MOFA gathered a wide range of views from major stakeholders, including relevant governmental ministries and agencies, the Japan International Cooperation Agency and NGOs.

28. The HDI acknowledges that "the achievement of health MDGs is crucially important for that of all MDGs as three out of eight MDGs are directly related to health", and proposes that Japan carry out the following activities to help achieve health-related MDGs in developing countries.

(i) Emphasizing a human security perspective

29. Placing the focus on individuals, through provision of quality health services, Japan will support sustainable capacity development for individuals and local communities as a means of addressing their health problems.

(ii) Cross-sectoral approaches

30. In addition to direct support for efforts to address health-related issues, Japan will pursue a comprehensive approach, for example, by working to improve the health systems. Furthermore, Japan provides cross-sectoral support because progress in non-health sectors can often contribute to progress in the overall situation in the health sector.

(iii) Collaboration and coordination with international development partners

31. Japan will provide support with a view to enhancing South-South cooperation, in which developing countries share with their peers good practices — in this instance, practices they have devised to tackle problems in the health sector. Collaborating with other donor agencies, Japan will continue to provide development assistance in a unified and consistent manner by sharing strategies and goals with them.

(iv) Formulation of aid strategies in accordance with local needs of developing countries

32. Making certain that it first understands the priority needs of each developing country, Japan will formulate appropriate strategies and provide assistance effectively and efficiently. When developing countries have their own development programmes relating to health, Japan will implement its assistance taking such initiatives fully into account.

(v) Strengthening research capacities in the field and implementation of initiatives based on an understanding of the local context

33. It is essential to fully understand each country's cultures and traditions as well as its social customs and practices in health care when providing assistance. Japan will make assistance available in a manner duly respectful of each country's practices and traditions.

34. The goal of the HDI is to contribute to the achievement of health-related MDGs and in particular, the inclusion of human security perspective, which focuses on protecting and empowering children, women, and other vulnerable groups in society, and the perspective of strengthening health systems as an effective means to reducing infant and maternal mortality, and provide strong support for the achievement of MDGs. In addition, the impact of infectious diseases, particularly influenza A (H1N1), largely depends on the health service capacity in each country. Strengthening health systems is inevitable in responding to emerging and re-emerging infectious diseases, and constitutes a part of enhancing preparedness to pandemic influenza which might occur in the future. Moreover, the importance of a cross-sectoral approach, which includes assistance in the areas of gender, education and water and sanitation, has come to receive wide international support. Last year, it was confirmed by the G8 leaders at the Hokkaido Toyako Summit.

35. Under the HDI, Japan provides health-related assistance throughout the world, but particularly in Asia and Africa, utilizing diverse assistance schemes, including bilateral aid and contributions to international organizations as will be discussed later. Japan contributed approximately US$ 1.2 billion in FY 2005, US$ 1.9 billion in FY 2006 and US$ 1.4 billion in FY 2007. As of April 2009, its total contributions have considerably exceeded its initial pledge of US$ 5 billion.

(c) TICAD IV

36. The African continent is the region where complex issues of poverty, hunger, conflict and infectious disease have most intensely arisen, and in sub-Saharan Africa especially, if prevailing trends persist, the expectation is that none of the MDGs will be met by 2015, or that there will simply be no progress.[2]

37. Japan, whose basic view is that "there will be no stability and prosperity in the world in the 21st century unless the problems of Africa are resolved", has acknowledged the need to make contributions that are appropriate for a member of the international community to make and has taken action accordingly. After the end of the cold war, while working to rebuild its economy, it implemented economic and technical cooperation and investment in support of the growth of Asian countries. To share this experience with countries in Africa, Japan proposed the establishment of the Tokyo International Conference on African Development (TICAD).

38. TICAD is the world's largest-class policy forum on African development co-hosted by the Japanese Government, the United Nations and the World Bank (WB). Since the first TICAD held in Tokyo in 1993, it has been held once every five years, and there have also been regular ministerial conferences.

39. TICAD IV was held from 28 to 30 May 2008 in Yokohama, Japan, with more than 3,000 participants, including delegates from African countries, developing partner countries, Asian countries, international and regional organizations, private sectors and NGOs. In the preparation process, a sector-based "cluster approach" was

taken where relevant United Nations organizations and private foundations formed groups and jointly provided their inputs to the Japanese Government.[3] In addition, active dialogues with NGOs were held. As one outcome of the discussion, their significant inputs in the field of reproductive health were reflected in the outcome document.[4]

40. TICAD IV was held under the basic theme "Towards a Vibrant Africa: A Continent of Hope and Opportunity", and active discussions were conducted on the direction of African development, with the issue of health among the major subjects. In his keynote speech at the opening ceremony, the then Japanese Prime Minister, Mr. Yasuo Fukuda, pledged in his capacity as chairman to "train one hundred thousand people in Africa over the next five years as health workers", and to "contribute 560 million US dollars to the Global Fund to Fight AIDS, Tuberculosis and Malaria in the coming years, starting 2009, to support the fight against these three major infectious diseases".[5]

41. On the final day of the conference, the Yokohama Declaration on future initiatives and the direction of African development was adopted. It states that "in addition to tackling HIV/AIDS, tuberculosis, malaria, polio and other infectious diseases, the Participants acknowledged the significance of strengthening health systems to effectively deal with major health challenges including maternal, newborn, and child health", thus reconfirming the importance of a comprehensive approach to health.[6]

42. Based on the Yokohama Declaration, the conference presented the Yokohama Action Plan as a road map in support of African growth. In the area of health, the Action Plan identified three priority issues, namely, strengthening health systems, improving maternal, newborn and child health and addressing infectious diseases, and presented specific actions to be taken by the international community as part of the TICAD process.[7] Measures the Japanese Government and other implementing partners proposed to take are listed in the appendix. Besides those already mentioned, they include saving the lives of 400,000 children and improving reproductive health.[8]

43. The comprehensive approach presented at the TICAD IV contributes directly to the progress that can be made towards health-related MDGs, especially in sub-Saharan Africa, such as the targets "to reduce by three quarters, between 1990 and 2015, the maternal mortality ratio" and "halt and reverse spread of tuberculosis," which "have seen no improvement or [are] deteriorating", and achieving other health-related MDGs, whose "target is not expected to be met by 2015".[9]

44. To improve transparency and accountability with regard to TICAD activities, TICAD IV formally launched the TICAD Follow-up Mechanism, composed of three tiers: the Secretariat, the Joint Monitoring Committee of the TICAD Process and TICAD follow-up meetings.[10]

45. In March 2009, the first TICAD Ministerial Follow-up Meeting was held in Botswana, and participants confirmed that they would steadily carry out the commitments they had made at TICAD IV as a responsibility they owed to Africa, where the consequences of the financial and economic crisis are grave. In addition, as a measure to directly address the crisis, commitments such as the prompt implementation of US$ 2 billion of grant and technical assistance, provision of

approximately US$ 300 million in food and humanitarian assistance to mitigate the impact on socially vulnerable people and disbursement of approximately US$ 200 million to the GFATM were announced.[11]

(d) Hokkaido Toyako Summit

46. The discussions and outcomes at TICAD IV in the field of health were taken up at the G8 Hokkaido Toyako Summit in July 2008, and the Japanese Government once again made health a major item on the agenda in the context of development and Africa. Prior to the summit in November 2007, the then Minister for Foreign Affairs, Mr. Masahiko Koumura, gave the policy speech "Global Health and Japan's Foreign Policy" and expressed Japan's intention to "develop a set of common frameworks for action shared by the international community", inviting the participation and cooperation of "all key stakeholders, including national Governments, international organizations, the business community, academia and civil society".[12] The discussions leading to the summit were based on this speech.

47. As Japan succeeded the role of chair in 2008, it established the G8 Health Experts' Meeting to elaborate on earlier discussions on health with a view to contributing to the discussion that G8 leaders would have at the summit. Three meetings, the first of the kind to be organized in the history of the summits, were held, in February, April and June, and at the first, an outreach session was held, with the participation of a group of major health-related international organizations called the Health Eight (H8)[13] and representatives of Norway and the AU. After a lively discussion, the G8 and outreach members arrived at a consensus on the present state of affairs with regard to global health and future challenges. For example, the AU pointed out the need for a strategy to retain and increase the number of health workers, given the serious lack of health resources in Africa.

48. Additionally, as chair of the Health Experts' Meeting, the Japanese Government exchanged views with major health-related NGOs from Japan and abroad on five separate occasions and obtained their views, based as they were on their experience in the field.

49. The discussions involving stakeholders in addition to the G8 were consolidated in a recommendation from the G8 Health Experts to the leaders of the G8 entitled "Toyako Framework for Action on Global Health"[14] and contributed to the leaders' discussion at the summit.

50. In parallel with the above developments, Challenges in Global Health and Japan's Contributions: Research and Dialogue Project was launched in September 2007 under the leadership of Prof. Keizo Takemi, a research fellow at the Harvard School of Public Health.[15] Its aim was to contribute to the discussions that were to take place at the summit through policy dialogues and research activities. Conducted as part of a public-private partnership involving prominent Japanese researchers, NGO representatives, participants from MOFA, the Ministry of Health, Labor and Welfare (MHLW) and the Ministry of Finance, they took a participatory approach to the subject. As a result, it was proposed to the G8 Health Experts that the G8 should pay more attention in their discussions to the strengthening of health systems.

51. At the Summit itself, held from 7 to 9 July, health issues were discussed under the agenda item "Development and Africa". In the Leaders Declaration, the G8 agreed to promote the comprehensive approach which mutually reinforce disease-

specific approach and health systems strengthening; to work towards increasing the health workforce with a view to attaining the World Health Organization (WHO) threshold of 2.3 health workers per 1,000 people, initially in partnership with the African countries; to improve maternal, newborn and child health and reproductive health with an emphasis on nutrition; and to provide 100 million long-lasting insecticide-treated nets by 2010 as a measure against malaria. It was also agreed to work towards the goal of providing at least a projected US$ 60 billion over five years to fight infectious diseases and strengthen health, as was agreed at the G8 Heiligendamm Summit the previous year, and to establish a follow-up mechanism to monitor the progress that was made towards meeting G8 commitments.[16] The G8 Health Experts Meeting is now under the chairmanship of Italy, and follow-up on these agreements is being implemented.

3. Efforts by the Government of Japan to implement the internationally agreed goals and commitments in regard to global public health

(a) Consensus-building mechanism

52. In this section, we will examine how consensus is being built in regard to achieving the MDGs and health commitments set out at TICAD IV and G8 Hokkaido Toyako Summit.

(i) National consensus-building mechanism

53. MOFA undertook structural reform in August 2006, creating the International Cooperation Bureau to strengthen its ODA planning/formulation function. Departments dealing with ODA, namely, the Economic Cooperation Bureau, which had principal responsibility for bilateral aid and a section of the Global Issues Department of the Minister's Secretariat responsible for multilateral aid merged to create the International Cooperation Bureau to improve the effectiveness of bilateral and multilateral economic cooperation activities.

54. The following year, the Health Task Force was set up within MOFA to further strengthen the above-mentioned collaborative framework. The task force meets whenever necessary, with the participation of a wide range of parties not only from relevant MOFA divisions but also from the MHLW and JICA — Japan's ODA implementation organization — according to the theme of the discussion.

55. To date, the task force has taken up and discussed agenda items such as strategies towards the TICAD IV and the G8 Hokkaido Toyako Summit, collaboration with international organizations, and aid strategies such as measures to combat tuberculosis and polio. Indeed, this report for the National Voluntary Presentations at the annual ministerial review of the United Nations Economic and Social Council has been drafted as a result of incorporating various comments raised at the Task Force Meeting. As part of the trend towards rationalization and improved efficiency of its ODA, MOFA, by implementing structural reform and launching the task force, has established an even stronger framework for multilateral and bilateral cooperation.

(ii) Consensus-building and consultation mechanism with national stakeholders

56. MOFA has always attached importance to the dialogue with NGOs. In 1994, the "Dialogue between MOFA/NGO on Global Issues Initiative on Population and AIDS/IDI" was established and regular consultations have taken place since that

time.[17] As of April 2009, 85 dialogues have been conducted, with the participation of 42 health-related NGOs. It has taken up a wide range of subjects, such as Japan's health assistance policy, collaboration with NGOs under the framework of the G8 Summit and TICAD and cooperation between NGOs and international organizations. There have also been presentations by NGOs on their activities.

57. Furthermore, as previously mentioned, MOFA is a member of the Challenges in Global Health and Japan's Contributions: Research and Dialogue Project based on a public-private, participatory approach, and in collaboration with various national stakeholders, delivers messages to shape international opinion on health.

(iii) Country-based ODA Task Force

58. The last sections provided an overview of Japan's consensus-building mechanism in the health sector. This section discusses the activities of the Country-based ODA Task Force and its relationship with headquarters.

59. The Country-based ODA Task Force was established in 2003 to strengthen Japan's framework for the formulation, selection and implementation of specific projects, while reinforcing Japan's ODA policymaking capacity in cooperation with local donor countries/organizations. As of this writing (April 2009), there are such task forces in 78 recipient countries, each composed mainly of members of the staff of the embassy of Japan and the local offices of aid implementing agencies such as JICA. The functions of the task force are: (a) surveying and analysing developmental needs; (b) formulating and analysing aid policies; (c) formulating and selecting potential assistance projects; (d) strengthening collaboration with the local aid community; (e) strengthening alliances with Japanese aid implementers in the recipient country; and (f) conducting a review of Japan's ODA. In some countries, there are meetings devoted to health attended by the persons in charge of health matters at the embassy of Japan and JICA, where practical working-level discussions are held.[18]

60. The Country-based ODA Task Force consistently submits reports and proposals on trends in local aid communities and the appropriateness and effectiveness of Japan's ODA, as well as the challenges it faces, to relevant divisions in MOFA and JICA. These feedbacks from the field are widely shared among members of the health task force in Japan, and are utilized in building a consensus.

61. By incorporating voices from the field of ODA in its health policies, Japan implements a multi-tiered, "all Japan" approach under the leadership of MOFA, in cooperation with all major stakeholders, including relevant MOFA divisions, the MHLW, JICA, the private sector, academic experts, NGOs and local aid implementers.

(b) Schemes to provide assistance on health

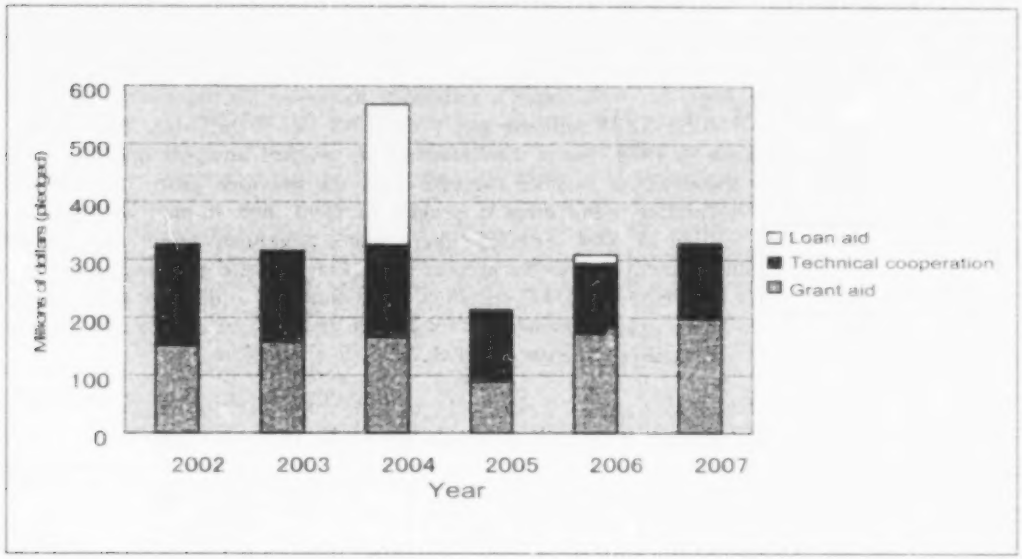
62. There are roughly four types of Japanese ODA schemes for all sectors, including health. They vary according to objective, recipient and amount and may take the form of grant aid, loan aid or technical cooperation, which is bilateral assistance, and contributions to international organizations, which is multilateral aid.

63. Grant aid is one type of economic cooperation which contributes to economic and social development in developing countries, and refers to assistance that is extended to developing countries for the procurement of necessary equipment and services, without imposing an obligation of repayment. It is not restricted to the health sector, but applies to issues including measures to combat terrorism and disaster prevention/rehabilitation, and is able to respond promptly and expeditiously to the needs of developing countries and the international community. There are several different types of grant aid in the health sector: Grant Aid for General Projects is extended to projects such as the construction/maintenance of hospitals and the provision of polio vaccine through UNICEF. Emergency Grant Aid is assistance provided as relief aid from a humanitarian perspective to victims of natural disasters and conflicts, refugees and displaced persons. Grant Assistance for Grassroots Human Security Projects provides funding for small-scale, grass-roots projects based on the principle of human security for projects such as the establishment of hospitals/clinics. Grant Assistance for Japanese NGO Projects is implemented by Japanese NGOs to provide, for example, hospital equipment or develop water supply systems in developing countries.

64. Cooperation can take the form of low-interest and long-term loans to developing countries. It is possible to promote national self-help efforts by adding loan aid to grant aid and imposing a repayment obligation. Although there are only a small number of loan aid projects in the health sector per se, projects in the field of water and sanitation which develop water supply and sewage systems and secure drinking water, which are indispensable in enabling people to lead healthy and sanitary lives, can provide complementary assistance to health.

65. Technical cooperation, utilizing Japan's technologies and knowledge or assisting in the development and improvement of technologies that are suited to individual countries, contributes to fostering the human resources a developing country will need to shoulder the responsibility of social and economic development, and in that way helps to improve technological standards or create/maintain systems and institutions. It is widely implemented in areas that relate to basic human needs, from health and medicine to industrial technology. Technical cooperation in the health sector may take several forms: providing training to health administrators and health-care professionals from developing countries either in Japan, the recipient country or a third country; dispatching to the recipient country Japanese experts, including policy advisers and medical practitioners; providing medical equipment needed for project development; implementation of project-type technical cooperation combining these elements; technical cooperation for development planning studies for the formulation of health sector development plans in developing countries and dispatching Japan Overseas Cooperation Volunteers (JOCV) and Senior Volunteers (SV) in support of grass-roots health activities.

Table 1
Japan's assistance for health by scheme (bilateral aid)



Source: Prepared by MOFA according to OECD-DAC statistics (2007).

66. In addition to the bilateral aid mentioned above, Japan implements multilateral aid by making contributions to international organizations. In recent years, global issues such as poverty, conflict, refugees, infectious disease and the environment are taking increasingly varied forms, and therefore can no longer be resolved through the efforts of a single country. Japan's multilateral aid in support of the activities of international organizations that possess both experience and knowledge in addressing global issues complements Japan's bilateral aid, and is an effective tool for international cooperation. It is from this perspective that Japan actively provides intellectual, personnel and financial contributions to international aid organizations. In the health sector, Japan makes contributions to organizations such as WHO, GFATM, UNICEF, United Nations Population Fund (UNFPA), United Nations Trust Fund for Human Security, International Planned Parenthood Federation (IPPF), World Bank, the United Nations Development Programme (UNDP), Asian Development Bank (ADB), World Organization for Animal Health (OIE), Joint United Nations Programme on HIV/AIDS (UNAIDS), African Development Bank (AfDB), United Nations Educational, Scientific and Cultural Organization (UNESCO), Inter-American Development Bank (IDB), Food and Agriculture Organization of the United Nations (FAO), United Nations World Food Programme (WFP) and United Nations Volunteers (UNV).

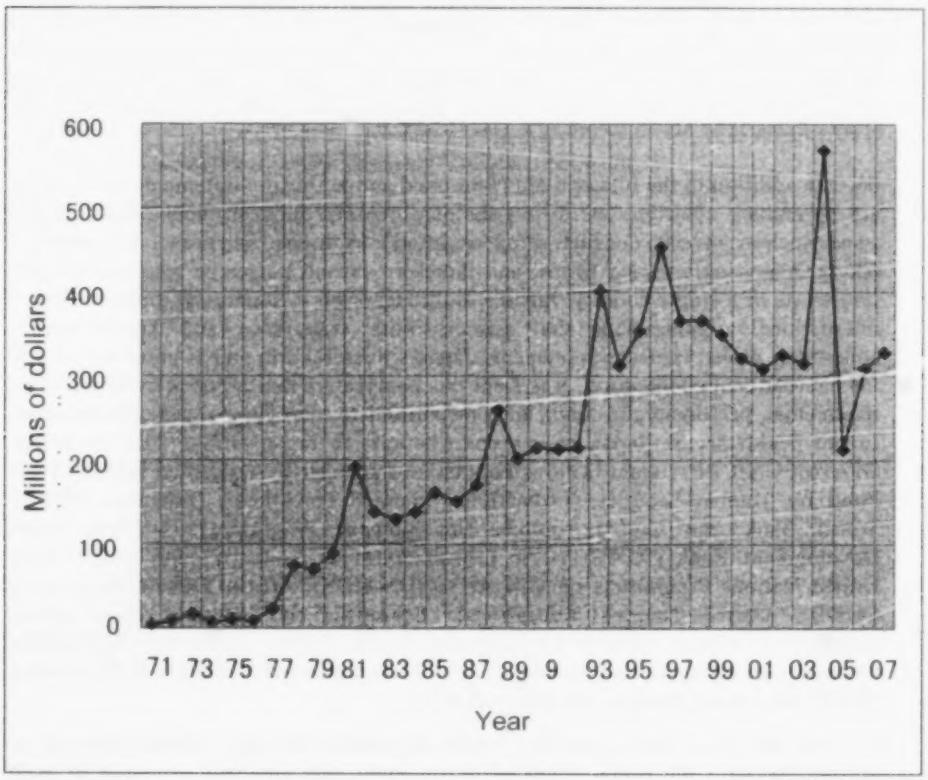
67. In this way, Japan provides health assistance through various schemes in accordance with the needs, level of development and financial situation of each developing country, and in a manner responsive to its conditions.

(c) Japan's achievements in the area of health assistance

(i) Trends in Japan's assistance in the area of health

68. As shown in table 2, Japan's bilateral aid in the area of health has increased steadily.[19] Following a gradual rise from US$ 3.33 million in 1971, when records began to be kept, to 1977, Japan's assistance increased approximately eightfold between 1977 (US$ 22.35 million) and 1981 (US$ 192.35 million). There was a sudden increase in 1988, but it then resumed its gradual upwards progress until 1993, when there was a twofold increase over the previous year. Thereafter it followed a fluctuating trend after it peaked in 1996, and it then increased to US$ 568.23 million in 2004. Although there was a temporary drop,[20] the rate of increase gradually recovered to the present level. For the sake of convenience, the above figures were based on DAC statistics, but in addition to the above-mentioned bilateral aid, Japan extends assistance for health in the form of contributions to international organizations such as GFATM.[21]

Table 2
Trends in the amount of Japan's assistance for health (bilateral aid)



Source: Prepared by MOFA according to OECD-DAC statistics (2007).

(ii) Comparison with other donors

69. As shown in table 3, a comparison of assistance (bilateral aid) in the area of health provided by major donors reveals that beginning in 2001, Japan has always been among the top 10.[22] The United States has retained the top position, and since President Bush announced the President's Emergency Plan for AIDS Relief (PEPFAR) in 2003, pledging to spend US$ 15 billion over the next five years for emergency relief, the United States has outdistanced other countries in terms of total assistance provided (in 2008, PEPFAR was reauthorized to allocate US$ 48 billion over five years). The United Kingdom may fall short of the United States, but it has maintained a stable position, consistently ranking within fourth position. At its peak, Japan's assistance made it the second largest donor in 2004, but it fell to seventh place in 2005 and thereafter to sixth place. Japan nevertheless will continue to do its best to provide health assistance.

Table 3
Assistance for health, by major donor (bilateral aid)

Rank/year	*2001*	*2002*	*2003*	*2004*	*2005*	*2006*	*2007*
1	USA 1 234.06	USA 1 964.17	USA 2 182.63	USA 2 569.83	USA 3 448.3	USA 4 189.59	USA 5 612.95
2	EC 349.31	UK 415.35	EC 490.47	Japan 568.23	EC 669.42	Netherlands 756.7	UK 1 014.7
3	Japan 308.53	EC 345.39	UK 459.81	EC 523.08	UK 587.84	UK 678.59	Canada 626.34
4	UK 190.7	Japan 326.38	Japan 314.35	UK 438.53	Canada 334.82	EC 580.17	EC 488.84
5	France 160.45	Netherlands 219.85	Germany 230.59	France 312.4	France 286.41	Germany 474.15	Germany 380.07
6	Norway 147.19	Germany 204.09	France 192.2	Canada 265.27	Netherlands 238.03	Japan 308.8	Japan 327.08
7	Netherlands 136.85	France 199.58	Canada 187.43	Netherlands 259.28	Japan 212.72	France 272.65	Sweden 275.41
8	Germany 122.47	Norway 123.4	Netherlands 157.92	Germany 244.63	Norway 199.56	Canada 250.18	Spain 250.57
9	Spain 90.96	Sweden 101.81	Norway 134.98	Sweden 166.41	Germany 198.08	Sweden 247.53	Norway 211.94
10	Canada 90.27	Canada 93.54	Sweden 116.2	Denmark 144.49	Spain 145.58	Norway 239.28	Australia 181.94

* Unit: millions of United States dollars (pledged).
Source: Prepared by MOFA according to OECD-DAC statistics.

(d) Characteristics and strengths of Japan's assistance for health

(i) Supporting the self-help efforts of developing countries

70. Self-help efforts refer to developing countries' taking responsibility for the future of their own countries and the efforts of their people to promote development. Japan's ODA, including health-related assistance, is founded on the idea that supporting the self-help efforts of developing countries is indispensable to realizing

sustainable economic growth. Moreover, Japan provides cooperation for implementing individual projects with the goal of ensuring sustainable development by the people of developing countries even after its assistance programme is concluded. This is a firm policy stemming from Japan's post-war rehabilitation and its subsequent experience providing support to other Asian countries. Since convening TICAD I in 1993, Japan has respected the self-help efforts of African countries and lent its support to maximizing those efforts in cooperation with other international partners.

71. Japan emphasizes human resource development, establishment of legal institutions and development of economic and social foundations (infrastructure) as important elements that support the self-help efforts of developing countries. Development of human resources, in particular, is essential for nation-building and economic development in developing countries, as is the establishment of legal institutions and the development of a sound economic and social foundation.

(ii) "Visible assistance" rooted in local communities

72. As just discussed, in providing ODA, including assistance for health, Japan considers cooperation for human resource development, establishment of legal institutions and development of economic and social foundations as vital to the self-help efforts of developing countries, as they form the basis of nation-building. With this in mind, Japan provides cooperation that helps a recipient country develop and enhance a comprehensive coping strategy, while respecting its autonomy, by transferring appropriate knowledge, technologies and expertise from person to person in the country or in Japan.

73. For example, under the technical cooperation scheme, Japan dispatches experts in a variety of fields to developing countries to provide assistance in implementing health-related technical cooperation projects (757 experts in the field of health in FY 2007).[23] Experts from institutions under the jurisdiction of the MHLW such as the National Institute of Public Health, the Infectious Disease Surveillance Center and the International Medical Center of Japan, the Civil Service, hospitals, university and research organizations, consulting firms and NGOs work day and night with their counterparts in addressing diverse health-related issues with a strong sense of vocation and a firm commitment. In some cases, Japan sends advisers to health ministries in developing countries who contribute to the efforts of the recipient organizations and institutions within the ministries by providing advice on improving health systems or planning/formulating new projects.

74. Younger generations of Japanese people take part in local cooperation activities in developing countries as JOCV and older persons as SV (a total of 316 volunteers for health in FY 2007).[24] At times, they travel into remote parts of a country where no other aid organization is present to work with local health authorities and communities to improve public health.

75. In addition to dispatching people to developing countries, Japan also invites individuals from developing countries to participate in training programmes in Japan. In FY 2007, Japan received 4,619 trainees from developing countries in the health sector.[25] As bearers of health care at the forefront of health administration and medical practice, these participants benefit from the experience and knowledge Japan's health systems can offer, which then helps them to expand their own health services.

76. Japanese NGOs working in the health sector are also important partners in Japan's health assistance. As of 2007, 28 organizations were utilizing government funding and carrying out thorough assistance at the grass-roots level.

77. In these ways, providing "visible assistance" can be considered one of the salient features of Japan's assistance for health as Japanese experts, volunteers and NGOs travel to remote areas of recipient countries, where they apply themselves to solving issues in close cooperation with local counterparts and residents.

(iii) Contribution to aid coordination

78. Japan is contributing to aid coordination that supports the effective achievement of common developmental goals such as the MDGs or the national health strategy, as well as reducing the burden of developing countries.

79. Global awareness about the importance of improving aid effectiveness has grown steadily in recent years, as witness the adoption of the Paris Declaration on Aid Effectiveness (Paris Declaration) in 2005. The declaration, to which Japan is a signatory, lays down five key principles for improving the quality of aid.[26] In September 2008, the Third High Level Forum on Aid Effectiveness was held in Ghana, for the purpose of conducting the midterm review of progress in the implementation of the declaration, and it produced the Accra Agenda for Action (AAA), which contains goals to be achieved by the year 2010.

80. At the field level, groups specializing in issues such as health and education have been created to implement assistance in the form of programmes in line with the developing strategies of the sector concerned, and many donor countries have participated in them. For instance, Japan joins in these programme-based approaches in the health sector in Kenya and Zambia, the education sector in Bangladesh and the agricultural sector in Tanzania.

81. Furthermore, since 2006 Japan has been assigning coordinators for economic cooperation in African countries where aid coordination is especially active.[27] The coordinators amass relevant information, exchange opinions and present views on Japan's development assistance to strengthen collaboration among foreign governments, aid implementing agencies and NGOs among others. For this reason, Japan is contributing actively to aid coordination, which is becoming increasingly mainstream.[28]

(iv) Utilizing Japan's experience and knowledge

82. Japan's aim in providing assistance is to apply its experience in economic/social development and economic cooperation for the benefit of developing countries and to share with them its innovative technologies, its knowledge, human resources and systems, in a manner responsive to their policies and needs for assistance.

83. Japan was closed off to the world for over 200 years, but with the emergence of the Meiji government in 1868, the country promoted rapid modernization and Westernization in all areas of society, including the industrial, administrative and education sectors. This was also done in the area of health, in which surveys were carried out, statistics collected, and laws and regulations concerning medical personnel established. At the same time, a centralized epidemic prevention system was established to combat acute infectious diseases such as cholera, dysentery and

typhoid fever, which spread throughout the country with the opening of the country following its long period of isolation.

84. As Japan readied itself for war during the 1920s and 1930s, there surfaced rising concerns about the need to establish countermeasures to tuberculosis, which was widespread in the country at the time, and to address the high infant mortality rate. The entire country was poverty-stricken. Many villages had no doctors, and even where they were available, many households could not afford to pay the doctor's fee. This situation led to the establishment of the Ministry of Health and Welfare, which supervised the health-care services from the central to the local, including local health centres throughout the country, and thus led to the enhancement of central to local health-care services. In villages, public health nurses began to play an active role in fighting tuberculosis, improving maternal and child health and formulating the so-called "community health approach".

85. After the war and the devastation it caused, Japan picked itself up and began rebuilding, with support from the United States and UNICEF and loan assistance from the WB, among other bodies. Under the leadership of the General Headquarters (GHQ), health-care services were re-established, and public health nurses, midwives and other female health professionals provided services, mainly at local health centres. At the same time, residents' associations and private organizations made efforts to address people's health needs, with the result that the situation with regard to tuberculosis and maternal and child health, which were immediate concerns at that time, improved greatly.

86. Beginning in the 1960s, social change gave rise to new health issues. For example, industrial development led to pollution and environmental problems and increased the incidence of occupational accidents. Changes in the way people lived increased the risk of heart disease, cancer and other lifestyle-related illnesses; and the aging of society raised concerns about the burden posed by medical expenses. In 1961, universal health insurance coverage was established.

87. In the 150 years that have passed since the establishment of the Meiji government, Japan, at times with the influence and support of other countries, has steadily accumulated experience in addressing the health-related challenges that many developing countries are now facing. These include finding ways to stop the spread of tuberculosis and other infectious diseases, lower infant mortality rates and maternal mortality ratios and establish strong health systems. Japan's experience has given shape to its community health approach, which, at a time when medical facilities and personnel were scarce at the local level, protected local residents' health through the concerted efforts of local health centres, midwives and residents. It also led it to issue the Maternal and Child Health Handbook (MCH Handbook) and implement measures based on it, and it provided the foundation for many of Japan's efforts to provide assistance to developing countries in the area of health. Clearly, Japan's assistance draws upon its experience, knowledge and systems. That experience is systematically described in a report and audio-visual teaching materials[29] it has issued, which developing countries may utilize as needed in accordance with their economic and social situation and with the health issues they are confronting.

(v) Steady implementation of initiatives

88. The steady implementation of a range of initiatives is another part of Japan's assistance for health. In 2000, it announced the Okinawa Infectious Diseases Initiative (IDI) at the G8 Kyushu Okinawa Summit, and pledged to implement US$ 3 billion in comprehensive measures against infectious diseases from FY 2000 to FY 2004. Ultimately, Japan provided approximately US$ 5.8 billion in assistance under the initiative, vastly exceeding its initial pledge of US$ 3 billion.

89. As mentioned earlier, Japan's inclusion of infectious diseases as a major agenda item for the first time in summit history and its subsequent announcement of the initiative against infectious diseases prompted the establishment of GFATM in 2002, and Japan has steadfastly fulfilled its commitment to the Fund. In June 2005, then Prime Minister Junichiro Koizumi pledged US$500 million to GFATM, and the disbursement took place between 2006 and 2008. At the TICAD IV conference held in May 2008, then Prime Minister Yasuo Fukuda emphasized the fact that Japan pledged US$ 560 million to GFATM starting 2009, and in March 2009 the Japanese Government disbursed approximately US$ 194 million as the first step of the multi-year commitment. As a consequence, Japan's disbursement to GFATM stands at US$ 1.04 billion as of April 2009.

90. Following the IDI, Japan announced the Health and Development Initiative at the High-level Forum on Health MDGs in Asia and the Pacific in 2005, and pledged US$ 5 billion in assistance over the five years from FY 2005 to FY 2009. To contribute to achieving the MDGs under this initiative, Japan provided support in the basic education and water/sanitation sectors, in addition to assistance for strengthening health systems, reducing infant mortality rates, improving maternal health and establishing measures to combat infectious diseases. It disbursed approximately US$ 1.2 billion in FY 2005, US$ 1.9 billion in FY 2006 and US$ 1.4 billion in FY 2007 (approximately US$ 4.5 billion in total). The initial pledge of US$ 5 billion over five years is about to be realized in just three years.

91. Japan's steady implementation of a range of initiatives to fulfil its responsibility to the international community can be said to be another salient characteristic of the assistance it provides.

(e) Case studies: best practices in Japan's assistance for health

(i) Maternal, newborn and child health (contributions for MDG4 and MDG5): Cooperation utilizing a comprehensive approach to the continuum of care for maternal, newborn and child health

92. From the perspective of human security, Japan has been expanding cooperation utilizing a comprehensive approach to the continuum of care for maternal, newborn and child health, often on the basis of the MCH Handbook. The MCH Handbook, which is one good example of assistance utilizing Japan's experience, has received great attention. It has now been introduced in countries as far from Japan as Palestine since its successful introduction and distribution among Asian countries such as Indonesia.[30] In addition to the number of copies of the handbook in circulation, achievement of the MDGs requires further qualitative improvements in maternal, newborn and child health services.

93. Based on this awareness, in 2004, Japan initiated a three-year technical cooperation project to improve maternal health care in rural areas in Morocco,[31]

where a remarkable regional difference in maternal mortality ratio was observed. Postgraduate training programmes to improve the practical skills, knowledge and awareness of health workers were established; capacity-building programmes were provided for health administrators, so that they could manage the project for maternal and child health care; and programmes utilizing information, education and communication (IEC) were strengthened, as were mobile clinic services for pregnant women. Also, childbirth classes, called "Tamago", meaning "egg" in Japanese, were established with the introduction of a health handbook for women,[32] which is similar to the MCH Handbook, in order to promote maternal, newborn and child health from a perspective of comprehensive health care.

94. As a result of the implementation of the project, changes have been brought about, including the establishment of a continuous education model for health workers involved in the care of pregnant women, improved motivation of nurses and midwives owing to the implementation of training based on the continuous education model and the realization of an appropriate reference, all of which ultimately resulted in an overall improvement in the quality of maternal health care.

95. Japan has implemented many other assistance programmes that have contributed to the same end, in particular through capacity-building and establishment of frameworks for cooperation among health administrators, local health service facilities, health workers and local organizations. These include the "Project for Improving Maternal and Child Health Services in Rural Areas in Cambodia" and the "Project for Improvement of Maternal, Newborn and Child Health Services in the Republic of Madagascar".

96. Since such regional maternal health service systems ultimately contribute to the general health of children, for example, through expanded vaccination programmes, the above projects are some of the best practices Japan has to offer in the area of maternal, newborn and child health.

(ii) Infectious disease control (contribution for MDG6): Tuberculosis Control through Directly Observed Treatment, Short Course in Cambodia

97. Tuberculosis is one of the leading causes of mortality in Cambodia, which has been classified as one of 22 high-burden tuberculosis countries. In 1994, the government of Cambodia strengthened the National Tuberculosis Control Program (NTP), in cooperation with WHO, with the result that the cure rate improved to a certain degree. However, due to rapid expansion of Directly Observed Treatment, Short Course (DOTS) services, the lack of skilled health workers engaged in controlling the disease and needs for training of human resources became apparent. The spread of HIV/AIDS was another reason for the increase in the number of tuberculosis patients.

98. In response, Japan implemented a five-year technical cooperation project to strengthen the capacity of the NTP and provided related training for health staff workers under the Tuberculosis Control Project Phase I, beginning in 1999. The coverage of DOTS services in 750 health centres nationwide reached almost 100 per cent. Frameworks for addressing tuberculosis/HIV co-infection, early diagnosis, treatment, and prevention were established or, where they already existed, expanded. These include a service called "afternoon clinics", which provides tuberculosis diagnosis for people living with HIV/AIDS, or a national External Quality Assurance Laboratory network to detect tuberculosis by means of a sputum

smear examination. Moreover, the project contributed to the formulation of five-year guidelines for a national tuberculosis programme, the creation of a sustainable drug logistics system, the strengthening of the technical and managerial capacity of the NTP staffs to conduct national prevalence survey and the expansion of DOTS, strengthening of the capacity of health administrators and laboratory technologist through training at the Research Institute of Tuberculosis/Japan Anti-Tuberculosis Association. Furthermore, as part of aid coordination, the World Food Programme, with support from the Government of Japan, provided food for approximately 33,000 tuberculosis patients who were receiving DOTS treatment each year, which was a strong incentive to them to receive the full tuberculosis treatment regime. Having achieved significant progress in DOTS expansion, the major focus of tuberculosis control efforts has shifted to strengthening health services under the NTP,[33] for example, through better quality management and increased attention to difficult-to-reach areas and groups. As a result, the Tuberculosis Control Project Phase II, also five years in duration, was commenced in 2004. Phase II applied a public-private mix of DOTS (PPM-DOTS) and community DOTS (C-DOTS), in order to provide the therapy to difficult-to-reach areas and groups. Guidelines for treatment beyond routine DOTS for tuberculosis/HIV co-infection and paediatric tuberculosis were also developed, and services have been provided in conformity with them. Moreover, effective IEC/advocacy activities were implemented to support the tuberculosis control programme, which aimed to promote change in the attitudes and behaviour of tuberculosis patients, their families and members of their communities.

99. The phase II project has achieved significant results and has had an impact on the Cambodian tuberculosis control programme. That is, it successfully attained the target with respect to tuberculosis, which was an 85 per cent cure rate and 70 per cent detection rate by FY 2006. This was attributed to several factors, including promotion of a cooperation scheme with private health workers and NGOs through implementation of PPM-DOTS, empowering community people through C-DOTS and establishing a scheme for coordination between tuberculosis/HIV activities and the NTP.

100. The above project in Cambodia, which incorporates the perspective of human security[34] and addressed tuberculosis issues by taking a comprehensive approach to them, is one of Japan's best practices in infectious disease control.

(iii) Private sector initiative: production of anti-malaria mosquito nets in Tanzania by Sumitomo Chemical Co., Ltd.

101. Malaria remains one of the most devastating diseases to afflict the world. An estimated 330-500 million people contract malaria every year — 90 per cent of them in Africa. In addition, the disease is estimated to cost Africa US$ 12 billion in lost gross domestic product (GDP). As the European Alliance against Malaria has noted, "the impact of malaria is not only felt in terms of the human suffering and death it causes, but also by the significant economic cost and burden".

102. Accordingly, Sumitomo Chemical developed the OLYSET® NET which is a mosquito net using special technology to impregnate the fibres with insecticide, thereby helping to control mosquitoes and prevent infection. The active ingredient is gradually released from the mosquito netting fibres to retain insecticidal efficacy for a minimum of five years, even after repeated washings. OLYSET® NET is the only

net fully approved by WHO as a Long-Lasting Insecticidal Net (LLINs). The nets have been widely distributed in some 40 African countries (especially in sub-Saharan Africa) and 20 South-east Asian countries through WHO, UNICEF and NGOs. Moreover, Sumitomo Chemical contributes to the achievement of MDGs by making donations of OLYSET® NET in cooperation with other organizations such as Millennium Promise[35] and UNICEF.

103. In September 2003, OLYSET® NET production technology was provided free of charge to the Tanzanian mosquito net manufacturer A to Z Textile Mills, Ltd., which is now operating an OLYSET® NET production plant. In February 2007, Sumitomo Chemical worked with the manufacturer to expand production, and with another local company set up a joint venture named Vector Health International, Ltd., to manufacture the OLYSET® NET. These initiatives helped to establish a sustainable self-help scheme in the local community by increasing supply capacity and reducing cost. As of the end of 2008, Tanzania's annual production capacity had increased to 38 million nets, and this expansion of production helped to create over 4,000 jobs in the local community, which in turn has contributed to enhancing the region's economy.

104. Sumitomo Chemical has decided to establish another production base in Nigeria as a response to the increasing demand for LLINs in Africa. Although plans have yet to be finalized, the company expects that annual production capacity will be 20 million nets and that more than 5,000 local jobs will be created.

105. This project is a pioneering effort and one of the best practices developed by a Japanese private company, as it directly links a core business to development assistance.

(iv) Asia Africa Knowledge Co-Creation Program (AAKCP): Total Quality Management (TQM) for Better Hospital Services: A Holistic Approach to Utilizing Existing Resources

106. Based on the importance of Asia-Africa cooperation, which was reaffirmed at TICADIII, JICA began the Asia Africa Knowledge Co-Creation Program (AAKCP) to promote South-South cooperation. "Total Quality Management (TQM) for better hospital services" is the second programme undertaken by AAKCP, which is now being implemented in 15 African countries.[36]

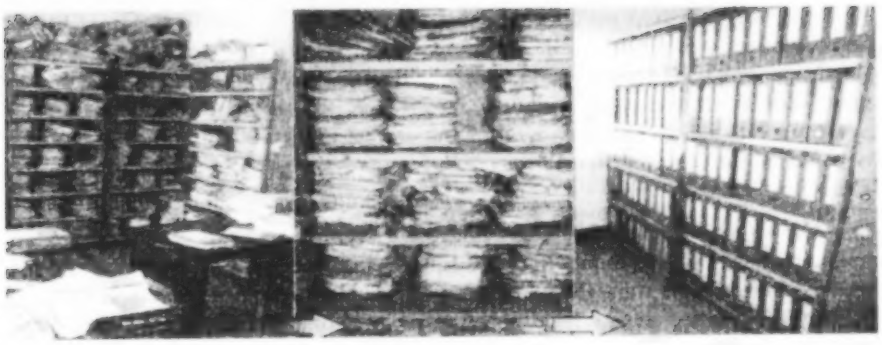
107. In Africa, it has often been pointed out that the management of the hospital service provision system has some problematic aspects. Due to a chronic shortage of medical resources, the challenge the system needed to tackle was finding a way to improve management of the system so that it would deliver the best possible hospital services. Because of the shortcomings and constraints on the system, the only one way to achieve a breakthrough was to improve management of hospitals and health policy planning in the day-to-day process. While Asian countries have long faced the same kinds of challenges, Sri Lanka, for example, has successfully overcome them by utilizing quality control management methods developed by Japanese manufacturing industry, such as 5S, CQI and TQM.[37]

108. Accordingly, under the AAKCP, three seminar/workshops and a pilot project were conducted with Asian resource persons both in Japan and Sri Lanka. Participating African health administrators and hospital managers were expected to devise practical schemes for ensuring the best possible hospital services that could

be introduced through the endogenous efforts of each country under existing conditions (fig. 1). The practical training provided, including visiting manufacturers such as Toyota Motors, was generally highly appreciated by the participants, and the programme is expected to foster a significant increase in human resources.

109. As South-South cooperation is one of the priority issues identified in Japan's Medium-term Policy on ODA, and as the focus of the AAKCP is improving daily management practices rather than requiring large financial investments, this programme is another of Japan's best practices, one suitable for African countries experiencing severe economic and financial conditions even beyond the current economic crisis.

Figure 1
Before and after AAKCP introduction



Source: JICA.

(v) Health Capital Investment Plan Support Project in Zambia

110. Under the health reforms initiated in 1992, the Government of Zambia attempted to reconstruct the entire health sector as an effective and efficient system. Together with this strategic plan, beginning in 2006, JICA implemented a two-year technical cooperation project designed to expand the information system that was created under the "Health Facility Census", the JICA overseas basic study in 2004, and helped in formulating a Health Capital Investment Plan (HCIP) to enable Zambia to provide efficient health care and medical services based on its National Health Strategic Plan (NHSP) (fig. 2).[38]

111. Accordingly, a health facility database has been developed covering 1,395 health facilities throughout the country below the primary level (particularly district hospitals, health centres, and health posts), and it has been integrated into the national health information management system (fig. 3). Also, a health facility atlas (fig. 4) was published and distributed to provincial and district health offices and other donors. In addition, health facility census feedback workshops were implemented for national, provincial and district health facilities.

112. In consequence, all the district health offices and hospitals have successfully prepared and submitted CIPs to the Ministry of Health (MOH) through provincial health offices after conducting a joint analysis of health facility and other relevant data. Moreover, since the health facility database includes not only information on health facilities and equipment but also human resource allocations and the

distribution of health services, it has also been utilized in connection with a national strategic plan to address the health worker brain drain, a project undertaken by the Global Alliance for Vaccines and Immunizations (GAVI) to strengthen health systems, a health information management system supported by the European Commission, as well as a performance assessment framework (PAF), an indicator for the National Development Plan of Zambia.

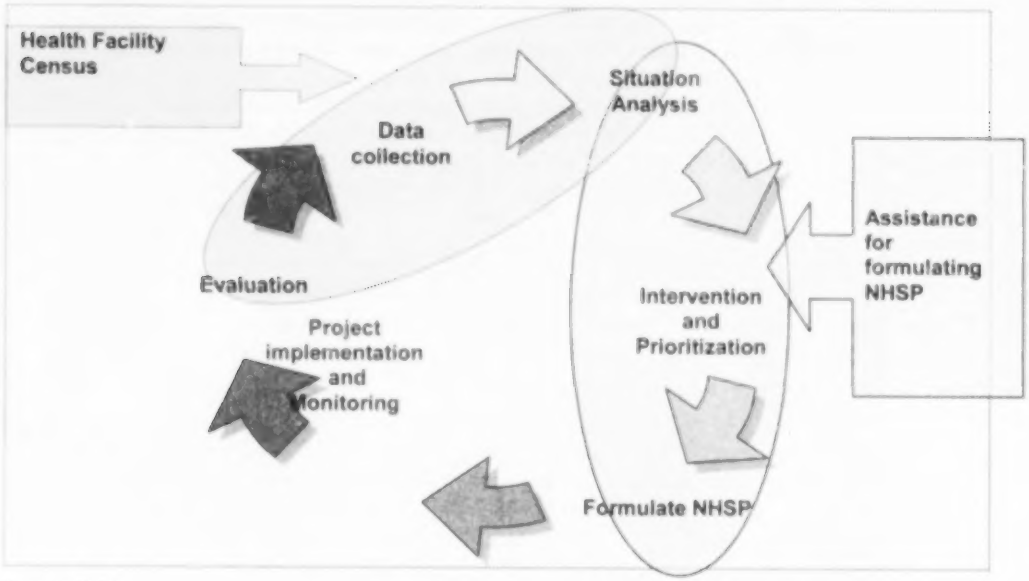
113. Based on the above, the project outputs can be summarized as follows: the availability of information on health facility status in the country has been improved; capacity at all levels of the public health system to use health facility data for HCIP has been improved; and integration of health sector investment with other national development plans at all levels has been strengthened; as has integration of HCIP with other sector development plans.

114. Based on the nationwide HCIP whose formulation the MOH completed in December 2008, it is expected that capital investment for improvement of health facilities and equipment will be supported with funds from the Zambian Government budget, a basket fund under the Sector-Wide Approach (SWAP) and/or direct funding from donors. Although Japan does not assist in such direct capital investment, it expects to launch a follow-up project in FY 2009, in order to enhance the efficiency of the management system for invested medical assets[39] within the framework of the HCIP.

115. The MOH estimates the budget for 2008 at approximately 750 million yen for the improvement of health facilities and equipments, out of a total investment in the health sector of approximately 5.6 billion yen, but the budget for the health sector is expected to increase since integration of HCIP with other sector development plans has strengthened.

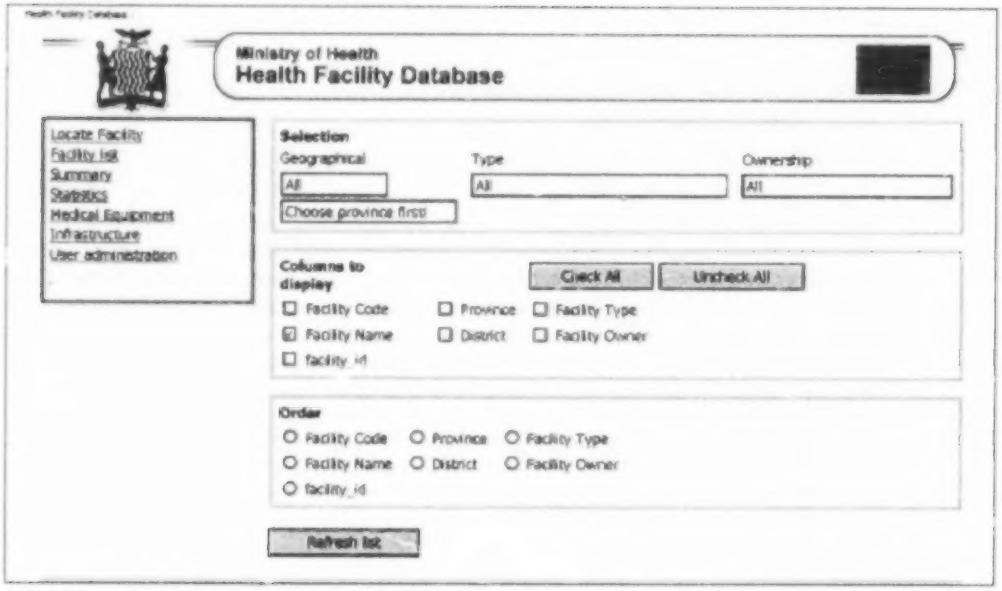
116. The above project is another of Japan's best practices and has showed that the project-type technical cooperation approach contributed to the development of the health sector at the national level by providing support for the NHSP, which in turn made it possible to utilize the Zambian Government budget, a basket fund under the SWAP and/or direct funding from various donors.

Figure 2
Framework for the "Health Facility Census" and HCIP Support Project



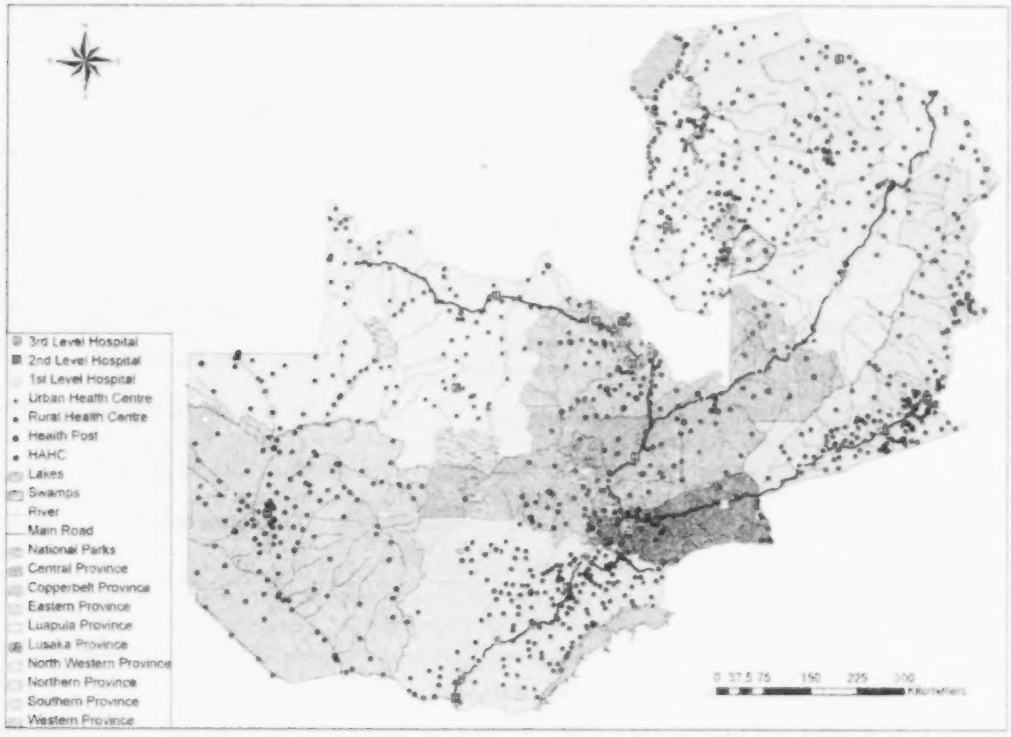
Source: JICA.

Figure 3
Front page of the health facility database



Source: JICA

Figure 4
Health facility atlas (mapping of health facilities nationwide)



Source: JICA

(vi) Assistance through the Human Security Fund (comprehensive assistance to adolescents through the United Nations)

117. In Bolivia, issues such as its high maternal mortality ratio and domestic and sexual violence are becoming serious social problems. In addition, the high incidence of teenage pregnancy is leading to an increased risk of HIV/AIDS. In the past, the policy towards adolescents was based on vocational training. Adolescents were not considered to be in great need of health care as they were thought to be the fittest segment of the population. Moreover, the Bolivian national development plan places high priority on reproductive health, although elements such as provision of education/information on contraception or developing independence and social inclusion targeting adolescents were not considered to be important.

118. To address this situation, UNICEF, UNFPA and WHO/Pan American Health Organization (PAHO) are jointly conducting a project entitled "Human Security for the Adolescent: Empowerment and Protection against Violence, Early Pregnancy, Maternal Mortality and HIV/AIDS", which is sponsored by the Human Security Fund.

119. The three pillars of the project are: (a) health, (b) education and (c) social inclusion. To these ends, the project includes activities such as enhancement of

social and medical services and medical facilities in relation to HIV/AIDS; teenage pregnancy; maternal mortality; sexual and domestic violence and establishing networks to prevent them; and training of health workers. Furthermore, taking into account the fact that schools are becoming centres of sexual violence, the project provides education on health and sex, including information on HIV/AIDS; implements a curriculum on prevention of violence; improves teaching materials; and conducts awareness training that targets parents and communities. In addition, the project supports the creation and activities of peer groups so that adolescents themselves can address these issues, bringing their own insights to bear. Municipal systems in support of these peer groups are also being established in order to secure continuity of their activities.

120. The project addresses the health sector as well as other sectors such as education and social inclusion of adolescents in a comprehensive manner from the perspectives of both "protection" and "empowerment", based on sustainability and a long-term outlook.

121. United Nations organizations are implementing these activities in collaboration with local communities, including parents, NGOs and local authorities such as municipal government, thus embodying the participatory approach which is a significant element of human security. Moreover, in implementing the project, local JICA offices were consulted as early on as the planning stage, and joint monitoring was planned, thus taking into consideration the need for effective collaboration and assuring that each implementing organization would perform its own distinct role.

4. Future outlook

(a) G8 Summit follow-up

(i) Global action for health system strengthening

122. The Japanese Government made follow-up efforts to sustain the global momentum towards the improvement of health that had developed towards the G8 Hokkaido Toyako Summit. The Fourth G8 Health Experts' Meeting was convened in November 2008, and members agreed to continue working towards building a follow-up mechanism and implementing a regular review of G8 commitments, which was succeeded by Italy as this year's chair.

123. Follow-up activities led by the private sector are also taking place. Aware of the need to effect the strengthening of health systems on which Japan focused at the G8 Hokkaido Toyako Summit, both in the international arena as well as in the field, an international advisory committee and a task force on Global Action for Health System Strengthening[40] were set up under the leadership of Professor Keizo Takemi.[40] Comprising international opinion leaders in the field of health, the committee and task force aimed at making policy proposals to the G8 in three major areas relating to the strengthening of health systems, namely, the health workforce, health financing and health information.

124. In November 2008, the Working Group on Challenges in Global Health and Japan's Contributions, the Japan Center for International Exchange (JCIE), the MOFA, WB, WHO, and Bill & Melinda Gates Foundation jointly hosted the International Conference on Global Action for Health System Strengthening,[41] in Tokyo as a follow-up to the G8 summit. In addition to members of the international advisory committee and task force just mentioned, more than 150 scholars and

officials from development aid organizations such as the United Nations, NGOs, and government participated, engaging in thought-provoking discussions on issues relating to the health workforce, health financing, and health information. The input from participants was reflected in a report entitled "Global Action for Health System Strengthening-Policy Recommendations to the G8",[42] that was then delivered to the Japanese and Italian governments in January 2009, after which international conferences and seminars have been held by its authors in order to disseminate it widely. All stakeholders, including the task force members and government officials, are making concerted efforts to see that the proposals are acted upon.

(ii) Current situation regarding health systems strengthening

125. Although the international awareness on the importance of health systems strengthening is increasing, its definition, model, strategy and approach varies according to different agencies, and developing countries as well as the international community are still in discussion as to which are efficient and effective.

126. A resolution entitled "Primary Health Care, including Health System Strengthening" is due to be adopted at the sixty-second World Health Assembly to be held in May 2009 (as of 15 May 2009). This resolution is based on the draft resolution proposed by 39 countries including Japan at the 124th WHO Executive Board Session in January 2009 and aims at further specifying and promoting efforts of WHO and member states towards the issues of health systems strengthening including health financing, health workforce and health information/surveillance systems among others.

127. However, health systems strengthening cannot be achieved through the efforts of WHO and its member states alone. It is encouraging that H8 organizations such as the WB, GFATM and GAVI are all committed. Collaboration with all stakeholders is inevitable to bring about maximized results.

128. Health systems strengthening is mutually complementary with the concept of primary health care which places emphasis on the community perspective and aims for the universal access of basic health care services. The implementation of health systems strengthening should be realized through the national health plan, placing utmost priority on what is mostly needed in the communities/districts.

Box

Global Action for Health System Strengthening-Policy Recommendations to the G8

Policy Recommendations to the G8 Part 1: "Opportunities for Overcoming the Health Workforce Crisis"[43]

Human resources for health have been a long-standing concern in health planning and management, and there are currently monumental shortages of health workers around the world. But Professor Masamine Jimba, who heads the research team on health workforces, identifies other major challenges beyond the sheer number of health workers, including inadequate payment, motivation, training, and supervision, as well as poor working environments. Professor Jimba also identifies a massively unequal distribution of health workers, within and among countries and across specialties and skills. In response, his paper recommends four major actions by the G8 to address these problems:

1. Strengthen the capacity of countries to plan, implement and evaluate health workforce programmes so that they can more effectively use the existing health workforce and implement the G8 commitments.

1.1 Develop mechanisms for evaluating health workforce progress at the country level.

1.2 Identify ways to change macroeconomic policies to reduce constraints on expanding the health workforce.

1.3 Strengthen international networks of higher education institutions to provide access to health and medical education in areas with limited resources.

2. Address the demand-side causes of international health worker migration.

2.1 Clean their own houses by increasing the number of health workers in their own countries using their own resources.

2.2 Support the WHO code of practices to address migration issues.

2.3 Seek practical solutions that protect both the right of individuals to seek employment through migration and the right to health for all people.

3. Conduct an annual review of actions by G8 countries to improve the health workforce.

3.1 Assess what the G8 countries are doing, what has worked, and evidence to support this, using a standard set of common measures.

3.2 Use this review to evaluate how health systems are performing, to identify gaps in financing and information, to develop evidence-based best practices, and to increase knowledge on how to improve health system performance through strengthening of human resources, as well as to see how well G8 countries are carrying through on what they have pledged to do.

Policy Recommendations to the G8 Part 2: "Strengthening Health Financing in Partner Developing Countries"[44]

There are no fully accurate estimates of health financing in developing countries, but recent trends show that external and domestic sources of funding for health have been increasing. Yet in his paper on this topic, Dr. Ravindra P. Rannan-Eliya emphasizes that "more money has not necessarily meant better results". Some countries are able to achieve better health system performance with limited financial resources, while others that have made large investments in health have been less successful. This wide variation in country performance provides an opportunity for understanding the conditions under which some health systems work better with limited financing. There is a growing global consensus that public financing represents an important necessary condition, although the form of public financing (i.e., tax financing versus social health insurance) remains a point of debate.

Better performance also depends on how the available funds are used and how health system coverage is expanded to hard-to-reach populations. Dr. Rannan-Eliya recommends three major actions by the G8 to address these challenges of financing for health systems in the developing world:

1. Complement efforts on increasing money for health with efforts to improve the value of health spending through support for better country-led health financing and systems policies.

2. Build on the existing consensus among technical experts with an explicit G8 commitment to prioritize support for country health financing policies that place public financing for health, in the form of tax financing and/or social health insurance, at the core of efforts to expand coverage for poor people and vulnerable groups in society.

3. Invest in the ability of developing country partners to make better financing policies. This will require increased investments in building national capacity for health systems policy assessment and in mechanisms to understand and share the lessons of best practice countries.

Policy Recommendations to the G8 Part 3: "Toward Collective Action in Health Information"[45]

The policy paper on health information, written by Professor Kenji Shibuya, identifies two major types of challenges in this area: technical and allocative inefficiencies. In the former, he explains that appropriate data do exist but are not used by policymakers or policy analysts, either because they do not have access to the information or because they do not have the capacity to analyze and use the data to answer questions about health system performance. Professor Shibuya describes the allocative inefficiency as uncoordinated data collection and compilation without well-defined measurement strategies. To correct these inefficiencies, he recommends three major actions by the G8:

1. Implement a G8 annual review to assess the G8's commitments to health systems and programmes.

1.1 Define a standard set of metrics and measurement strategies for monitoring and evaluating aid effectiveness, health programmes, and systems.

1.2 Plan and assess future health-related activities by the G8 and its partners using a common framework and metrics.

2. Establish a digital commons using a network of global and regional centres of excellence to improve access to — and the quality of — datasets and analyses at the country and global levels.

2.1 Promote the principles of open access and data-sharing in the public domain.

2.2 Develop a global databank for common indicators (starting with MDG targets, human resources, and resource tracking) and a data exchange and quality assurance mechanism.

2.3 Establish a Cochrane-type process for global health monitoring to generate empirical evidence for health policy.

3. Pool resources for health metrics at the global and country levels to create a Global Health Metrics Challenge.

3.1 Develop capacity and create an incentive structure for countries and data producers to collect, share, analyse and interpret better-quality data.

3.2 Make health funding contingent upon third-party evaluation that is compliant with agreed principles, including developing a standard measurement strategy, putting data in the public domain, strengthening local capacity and making appropriate use of information technologies.

3.3 In countries with incomplete or non-existent civil registration, prioritize development of civil registration systems.

3.4 Invest in a series of nationally representative household surveys for multiple diseases and risk factors.

5. Towards the realization of policy proposals

129. As can be exemplified in past and recent processes mounting to the health outcomes of the G8 Kyushu Okinawa Summit, TICAD IV and the G8 Hokkaido Toyako Summit, the Japanese government is in a unique and privileged position to create awareness, lead the way, and direct resources of all the related stakeholders including donor countries, developing countries, international organizations, private sector, academia and civil society towards a health issue. Japan will continue to take this remarkable participatory approach to contribute to the formulation of international discussion on health systems strengthening as well as to its materialization in the context of Japan's health assistance. By doing so, Japan will contribute to the achievement of the health-related MDGs. At the same time, Japan will make sure to demonstrate accountability in meeting its commitments.

Notes

[1] http://www.mofa.go.jp/policy/health_c/address0711.html.

[2] Statistics Division, Department of Economic and Social Affairs, United Nations (June 2008) *MDG Progress Chart 2008*.

[3] The health cluster provided the following inputs to the Yokohama Action Plan: (a) to promote continuum care for women and children across the span of pre-pregnancy, pregnancy, child birth and childhood via high-impact intervention such as provision of immunizations and micro-nutrients for children as actions to be taken in the next 5 years under the TICAD process, (b) to support the international efforts to achieve universal access to reproductive health services, and (c) to contribute to the international efforts to raise the proportion of birth attended by skilled birth attendant in Africa to 75 per cent in five years, as targeted by WHO.

[4] http://www.mofa.go.jp/region/Africa/ticad/ticad4/doc/action.pdf.

[5] http://www.mofa.go.jp/region/Africa/ticad/ticad4/pm/address.html.

[6] http://www.ticad.net/presskit-2008/YokohamaDeclaration-30May2008.pdf.
[7] http://www.mofa.go.jp/region/Africa/ticad/ticad4/doc/action.pdf.
[8] http://www.mofa.go.jp/region/Africa/ticad/ticad4/doc/appendix.pdf.
[9] Statistics Division, Department of Economic and Social Affairs, United Nations (June 2008) *MDG Progress Chart 2008*, June 2008.
[10] http://www.mofa.go.jp/region/Africa/ticad/ticad4/mechanism.html.
[11] http://www.mofa.go.jp/region/Africa/ticad/ticad4/speech0903.html.
[12] http://www.mofa.go.jp/policy/health_c/address0711.html.
[13] The Health Eight (H8) was informally established to improve health-related Millennium Development Goals through effective support. It refers to leaders of the eight global international health organizations: Bill and Melinda Gates Foundation; the Global Alliance for Vaccines and Immunization (GAVI); the Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM); the United Nations Joint Programme on HIV/AIDS (UNAIDS); the United Nations Population Fund; the United Nations Children's Fund; the World Bank and the World Health Organization.
[14] http://www.mofa.go.jp/policy/economy/summit/2008/doc/pdf/0708_09_en.pdf.
[15] http://www.jcie.or.jp/thinknet/takemi_project/index.html#members. Professor Keizo Takemi was formerly a member of the House of Councillors and Senior Vice Minister of Health, Labour and Welfare, State Secretary for Foreign Affairs.
[16] http://www.mofa.go.jp/economy/summit/2008/doc/doc080714_en.html.
[17] The dialogues between the MOFA and NGOs have been held since 1994 as an open forum between the two parties to actively promote "Global Issues Initiative on Population and AIDS (GII)", which Japan announced in 1994.
[18] Third Party Evaluation 2008, The Ministry of Foreign Affairs of Japan, *Evaluation of Japan's ODA to the Health Sector*, 2009.
[19] The data is from OECD-DAC statistics since 1971, when health-related data started to be gathered. The statistics include population and reproductive health data.
[20] The difference of aid amount in 2004 and 2005 is due to the implementation of Exchange of Notes (E/N) for certain grant aid projects in 2004, and not due to an amendment in aid policy.
[21] Japan makes core supports and/or contributes to Japanese funds for the following international organizations: WHO; GFATM; UNICEF; UNFPA; United Nations Trust Fund for Human Security; IPPF; World Bank; UNDP; ADB; OIE; UNAIDS; AfDB; UNESCO; IDB; FAO; WFP; and UNV.
[22] Data taken from OECD-DAC statistics, including population and reproductive health. Japan contributes to international organizations, including to GFATM, in addition to bilateral aid.
[23] Ministry of Foreign Affairs of Japan, *Japan's Official Development Assistance White Paper 2008 — Japan's International Cooperation*, 2009.
[24] Ibid.
[25] Ibid.
[26] Five principles for aid effectiveness are as follows: (a) ownership; (b) alignment with partners' strategies; (c) harmonization; (d) managing for results; and (e) mutual accountability.
[27] Economic cooperation coordinators are staffed in the following African countries: Ethiopia, Ghana, Kenya, Madagascar, Mozambique, Senegal, the Sudan, Uganda and Zambia.
[28] The important principle of Japan's ODA is to support the self-help efforts of developing countries by extending cooperation for their human resource development, institution-building, including development of legal systems, and economic and social infrastructure building, which constitutes the basis for these countries' development. In carrying out the policy, Japan has given and continues to give priority to project-based support. This principle of placing project-based support at the basis of Japan's ODA will not change greatly for the time being as it creates a strong relationship between the donor and the recipient countries as well as from the viewpoint of accountability to the public. Nonetheless, as many countries seek budget support, Japan, if it is needed by the developing countries to implement effective aid in line with their national situations, provides budget support. So far, Japan provided budget support to Cambodia, Indonesia, the Lao People's Democratic Republic, the United Republic of Tanzania and Viet Nam.

[29] Institute for International Cooperation, Japan International Cooperation Agency, *Japan's Experience in Public Health and Medical System — Towards Improving Public Health and Medical Systems in Developing Countries, 2004*, available from http://www.jica.go.jp/english/publications/reports/study/topical/health/index.html.

[30] Today, the MCH handbook is utilized not only by Japan but also by various donor countries and developing countries.

[31] Maternal mortality ratio in rural areas in Morocco: 227 (per 100,000 live births; 2005). This figure is 2-3 times higher than that in urban areas.

[32] The health handbook for women is distributed to women above 15 years of age or expectant mothers, and is utilized for health care and self-management in Morocco.

[33] National Center for Tuberculosis and Leprosy Control (CENAT), Provincial Health District (PHD), Operational District (OD), health centres, etc.

[34] Nine concepts of "Human Security" for the evaluation of tuberculosis control projects: (a) reaching those in need surely; (b) focusing on the most vulnerable people; (c) greater impact on early diagnosis and treatment of diseases and prevention of epidemic; (d) promotion for sustainability in management programmes; (e) countermeasure to health system vulnerability due to socio-economic conditions; (f) capacity-building of health service providers at all levels; (g) promotion and enablement of operational research and survey; (h) empowerment of people and service recipients in local community; (i) strengthening partnership and cooperation with various actors for a greater impact.

[35] Millennium Promise (MP) is a non-profit organization launched in the United States dedicated to achieve MDG1. Millennium Village project is its flagship initiative, in which MP currently works in 112 villages in rural African communities to promote an integrated approach to rural development by improving access to clean water, sanitation and other essential infrastructure, education, food production, basic health care, and environmental sustainability. MP also supports independent projects to address factors that contribute to extreme poverty, one of which focused on control of malaria. Within the project, OLYSET® NET nets are distributed as well as medical supplies are provided in the Millennium Villages.

[36] Group 1 (March 2007-November 2008): Kenya, Uganda, the United Republic of Tanzania, Malawi, Nigeria, Senegal, Madagascar, Eritrea; Group 2 (March 2009-November 2010): Morocco, Mali, Burkina Faso, Benin, Burundi, Congo, the Niger.

[37] 5S activities (sort, set, shine, standardize, sustain), CQI (continuous quality improvement), TQM (total quality management).

[38] A national plan to implement health capital investment: investment in health infrastructures, such as construction and restoration of health facilities, supply and replacement of medical equipments, and improvement of infrastructure, i.e., development of water, electricity, and communications.

[39] Medical assets refer to the investment choice which includes both medical equipment and health infrastructure, out of overall health investment.

[40] http://www.jcie.or.jp/thinknet/takemi_project/index.html#members.

[41] http://www.jcie.or.jp/thinknet/takemi_project/081104symposium.html.

[42] Task Force on Global Action for Health System Strengthening, *Global Action for Health System Strengthening — Policy Recommendations to the G8*, Japan Center for International Exchange, 2009.

[43] Masamine, Jimba, "Opportunities for Overcoming the Health Workforce Crisis", *Global Action for Health System Strengthening — Policy Recommendations to the G8*, Japan Center for International Exchange, 2009.

[44] Ravindra P. Rannan-Eliya, "Strengthening Health Financing in Partner Developing Countries", *Global Action for Health System Strengthening — Policy Recommendations to the G8*, Japan Center for International Exchange, 2009.

[45] Kenji Shibuya, "Towards Collective Action in Health Information", *Global Action for Health System Strengthening — Policy Recommendations to the G8*, Japan Center for International Exchange, 2009.